

# Nepperhan Valley Study

Yonkers, NY

*Report prepared by:*

**APPLESEED**

*In collaboration with:*

Real Estate Solutions, LLC.

Buckhurst Fish & Jacquemart, Inc.

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*For:*

**Yonkers Industrial Development Agency**



nValley Technology Center



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## **Executive Summary**

After two decades of decline, the City of Yonkers, New York began in the late 1990's to experience a reversal of its economic fortunes. The continuing revitalization of the City's Hudson River waterfront and downtown areas, the development of a major new retail complex in the Austin Avenue area, and several other developments have contributed to the City's recovery. In January 2002, the federal government both recognized and reinforced the City's redevelopment efforts, by designating several areas in Southwest Yonkers as one of just seven Round III Urban Empowerment Zones. And in September 2002, Mayor John Spencer announced the largest development project in the City's history – a \$600 million mixed-use redevelopment of the 84 acre Ridge Hill property by Forest City Ratner Corporation.

As part of its continuing effort to rebuild the Yonkers economy, the City's Office of Economic Development and the Yonkers Industrial Development Agency began in 2001 to explore opportunities for the redevelopment of the Nepperhan Valley – a historic but seriously underutilized 110-acre industrial area that is strategically located in the heart of the City, between the downtown and waterfront areas to the southwest and the Austin Avenue and Ridge Hill areas to the northeast.

In May 2002, the Yonkers IDA retained a team of consultants to assist in formulating a strategy for the revitalization of the Nepperhan Valley. Team members included:

- Appleseed, an economic development consulting firm with extensive experience in Yonkers, as lead consultant;
- Buckhurst, Fish & Jacquemart;
- Real Estate Solutions, LLC;
- John Meyer Consulting;
- M. G. McLaren, P.C., Consulting Engineers, and
- Federman Design and Construction Company.

This report represents the results of the team's work.

### **Regional, Local and Neighborhood Contexts**

- Planning for the future of the Nepperhan Valley must take into account the regional economic conditions trends that will both create opportunities and limit possibilities for development in the area.

- Over the next twenty years, the regional economy is likely to be characterized by a pattern of moderate growth. The New York Metropolitan Transportation Council estimates that employment in the Lower Hudson Valley will increase by 21 percent over the next twenty years.
- Southern Westchester could prove particularly attractive to firms in a number of industries seeking lower-cost alternatives to New York City.
- The strong growth that has occurred and is now occurring in the downtown/waterfront area and the northeastern part of the City should help reinforce the development potential of the centrally-located Nepperhan Valley.
- The community surrounding the Nepperhan Valley industrial area includes a mix of working-class/middle-class and low-income neighborhoods. There is a need not only to create new job opportunities, but also to address problems such as petty crime, traffic safety and traffic congestion, inadequate parking and inadequate local retailing.

### **Existing Conditions**

- The area between Ashburton Avenue and Lake Avenue includes a number of large industrial buildings, some a century old that were once the home of the Alexander Smith Carpet Company. Today they house a mix of light industrial, distribution, retail, storage and miscellaneous commercial uses.
- The area between Lake Avenue and Torre Place includes a mix of smaller industrial buildings, large tracts of outdoor storage space, and the headquarters and production facilities of Precision Valve Corporation, the Valley's largest manufacturing enterprise.
- The area north of Torre Place consists of a mix of industrial and commercial buildings, including bus maintenance and storage facilities for Liberty Lines, the area's largest employer.
- The northern part of the Valley also includes a busy neighborhood retail area along Saw Mill River Road.
- The existing building stock includes a mix of:
  - Older and newer buildings that are generally well maintained (about 2 million square feet);
  - Older industrial buildings that are generally in fair condition but that need some degree of rehabilitation (about 2 million square feet); and

- Seriously deteriorated buildings that should be considered for demolition (about 360,000 square feet).
- Several major regional highways provide easy access to the Nepperhan Valley by auto. While Saw Mill River Road is frequently congested, there is significant excess capacity on Nepperhan Avenue. The area is also served by four Westchester County bus lines.
- The Nepperhan Valley is adjacent to several major fiber optic trunk lines that run through Westchester County, but is not yet directly connected to them. Consumer and small-business quality DSL services are provided by Verizon, but are now available only in some parts of the Nepperhan Valley.
- Environmental and energy infrastructure in the area is generally in good condition, and can support more intensive development of the area.
- Given historic (and some current) industrial uses in the area, environmental remediation is likely to be needed at some sites before development can proceed.
- Businesses in the Nepperhan Valley indicate that they find the area attractive in terms of the easy access it provides to customers in New York City and throughout the Lower Hudson Valley, its readily-available supply of workers, and the reasonable rents at which space is available. They are concerned, however, about traffic congestion, insufficient parking, security issues, inadequate retail services, and the need for training for less-skilled employees.

### **Real Estate Market Conditions**

- Generally speaking, the demand for commercial office space is not likely to be sufficient in the near term, by itself, to support significant new office construction in the Nepperhan Valley. This could be offset during the next several years, however, by several factors, including the desire of major businesses in the New York area to decentralize their operations, and the attractive incentives for development that could be made available to businesses locating in the Valley.
- The market for mixed-use industrial-commercial space is expected to remain strong, and Yonkers has already demonstrated its competitiveness in this market.
- There is significant potential for new retail development in the Nepperhan Valley area, to serve both the surrounding neighborhoods and a growing employment base.
- There is also some longer-term potential for residential development in the southern part of the Valley.

## **Proposed Site Plan**

- The Appleseed team's proposed site plan for the area includes:
- In the southern most part of the Valley (between Ashburton Avenue and Axminster Street), completion of the Nepperhan Valley Technology Center, the development of new retail facilities and associated surface parking, as well as eventual conversion of an attractive mill building to residential use.
- In the old mill complex between Axminster and Lake, rehabilitation of more than 900,000 square feet of space in the major industrial buildings lining the exterior of the area, and creation of new surface parking, green space and amenities in the interior.
- In the central area between Lake Avenue and Torre Place, development of approximately 425,000 square feet of new commercial office space in eight buildings along Saw Mill River Road, Lake Avenue and a new interior roadway, along with surface parking green space and supporting retail.
- In the area north of Torre Place, retention of major industrial employers, as well as development of an additional 160,000 square feet of commercial space, redevelopment of selected smaller sites for retail and consumer services, and streetscaping improvements.

## **Traffic Improvements**

- The redevelopment of the Nepperhan Valley will significantly increase traffic volumes in the area. Traffic impacts should be manageable, however, with a series of incremental improvements, such as improvements to the Saw Mill River Parkway off-ramps at Yonkers Avenue, widening of Ashburton Avenue between Saw Mill River Road and Nepperhan Avenue, removal of on-street parking on Nepperhan Avenue between Lake Avenue and Old Nepperhan, and shifting of traffic from Saw Mill River road to Nepperhan Avenue.

## **Cost and Financial Feasibility**

- The cost of new commercial office and retail construction envisioned in the site plan, as well as rehabilitation of existing buildings for mixed industrial-commercial and residential use, is expected to cost \$372 million.
- Public improvements envisioned in the site plan are expected to cost \$12.3 million.



- Assessment of the financial feasibility of new commercial office construction indicates that a significant gap exists between the rents required to induce privately-financed construction and the rents achievable in the current market. While existing incentives and development financing programs will help close the gap, the City and the Yonkers IDA may need to provide an additional up-front capital subsidy to secure the first major investment in new office space, and help establish the Nepperhan valley's identity as an office location.

## **Economic Impact**

- The investment of \$384 million in the redevelopment of the Nepperhan Valley would over time generate a total of 3,250 person-years of employment in construction and related industries.
- Over time, new office and retail development, and the rehabilitation of existing industrial space, would (after taking into account displacement of existing jobs) support approximately 5,085 new office, retail and other jobs in the Nepperhan Valley – a number that is equivalent to 12 percent of total citywide employment in Yonkers in 2000.

## **Development Strategy**

- Realizing the vision for redevelopment of the Nepperhan Valley presented here will require the City and the Yonkers IDA to pursue a comprehensive, multifaceted strategy.
- The City and the Yonkers IDA should begin working immediately to secure control of key properties required for implementation of major public improvements in the area, either through acquisition or agreements with property owners.
- The City and the IDA should secure funding for, and as soon as possible implement, the major public improvements proposed here, including the creation of new surface parking and green space within the interior of the old carpet mill area, and the development of a new interior roadway in the central area between Lake Avenue and Torre Place.
- The City should begin the process of rezoning the area between Lake and Torre Place, and the area south of Axminster Street, to promote the developments envisioned in the proposed site plan and to phase out incompatible uses.
- The City and the Yonkers IDA should begin marketing the Nepperhan Valley to major users of middle-office and back-office space, including major financial services, professional services and utility companies.

- The City and the Yonkers IDA should work with property owners in the Nepperhan Valley and with developers to identify and pursue opportunities for joint public-private development in the area – both new construction and major rehabilitation projects.
- The City and the Yonkers IDA should collaborate with local workforce development agencies, both to ensure the availability of skilled workers for businesses locating in the Nepperhan Valley, and to ensure that residents of the surrounding neighborhoods can take advantage of newly-created job opportunities.
- The City and the IDA should consider creating a local development corporation to manage the redevelopment process; and should in the future explore with local property owners the creation of a Nepperhan Valley business improvement district.

## Introduction

After two decades of decline, the City of Yonkers began in the late 1990's to experience a dramatic reversal of its economic fortunes. The continuing revitalization of the City's Hudson River waterfront and downtown areas, the development of a major new retail complex in the Austin Avenue area, and several other developments have contributed to the City's recovery. Between 1998 and 2000, payroll employment in Yonkers grew by 6.3 percent – an increase of approximately 2,500 jobs.

In 2001, the City launched still another major revitalization effort, with the announcement of plans to develop a minor league baseball stadium, coupled with new retail space, in downtown Yonkers. In January 2002, the federal government both recognized and reinforced the City's redevelopment efforts, by designating several areas in Southwest Yonkers as one of just seven Round III Urban Empowerment Zones. And in September 2002 Mayor John Spencer announced the largest development project in the City's history – a \$600 million mixed-use redevelopment of the 84-acre Ridge Hill property by Forest City Ratner Corporation.

As part of its continuing effort to rebuild the Yonkers economy, the City's Office of Economic Development and the Yonkers Industrial Development Agency began in 2001 to explore opportunities for the redevelopment of the Nepperhan Valley – a historic but seriously underutilized 110-acre industrial area that is strategically located in the heart of the City, between the downtown and waterfront areas to the southwest and the Austin Avenue and Ridge Hill areas to the northeast.

In May 2002, the Yonkers IDA retained a team of consultants to assist in formulating a strategy for the revitalization of the Nepperhan Valley. The IDA also secured a commitment from the Empire State Development Corporation to participate in financing the IDA's study of the Nepperhan Valley. Consulting team members included:

- Appleseed, an economic development consulting firm with extensive experience in Yonkers, as lead consultant;
- Buckhurst, Fish & Jacquemart;
- Real Estate Solutions, LLC;
- John Meyer Consulting;
- M. G. McLaren Engineering; and
- Federman Design and Construction Company.

The team was charged with:

- Assessing and documenting existing conditions in the Nepperhan Valley;
- Assessing local and regional economic trends and conditions, and trends and conditions in local and regional real estate markets, that will shape opportunities for development in the Nepperhan Valley area;
- Formulating a proposed vision, as well as specific development objectives, for the area; Preparing a proposed site plan for the area;
- Analyzing the cost and financial feasibility of various types of development proposed for the area; and
- Preparing a development strategy that addresses such issues as:
  - Public infrastructure improvements needed to support revitalization of the Nepperhan Valley, and how they might be financed;
  - Near-term opportunities for commercial development;
  - The use of incentives available through the federal Empowerment Zone and New York State Empire Zone programs;
  - Zoning and land use issues; and
  - Management of the redevelopment process.

## **Organization of the Report**

This report summarizes the results of the Appleseed team's work. Part One of the report discusses the regional and local context within which the Nepperhan Valley would be developed. Part Two assesses the existing conditions. Part Three assesses real estate market trends and conditions that will affect the redevelopment of the area. Part Four briefly describes a proposed vision for the Nepperhan Valley, and a set of proposed development objectives.

Part Five presents a proposed site plan for redevelopment of the Nepperhan Valley in accord with our vision for its future. Part Six describes a series of traffic improvements in and around the Nepperhan Valley that will be required to support the growth of business activity and employment in the area. Part Seven summarizes our analysis of cost and financial feasibility. Part Eight highlights the economic impact of redeveloping the area in accord with this vision.

Finally, Part Nine of the report details a proposed strategy for redevelopment of the Nepperhan Valley.

## **Acknowledgments**

The members of the Appleseed team would like to acknowledge the support and assistance provided throughout the course of this project by officials and employees of the City of Yonkers, including Mayor John Spencer, Deputy Mayor Phil Amicone, Yonkers IDA Executive Director Edward Sheeran, Commissioner of Planning and Development Steve Whetstone, Planning Director Lee Ellman, and City Engineer Andrew Api.

Others who provided valuable information and assistance include Wanda Nieves and Lisa Mrijaj of the Office of Economic Development, Daisy Colon of the Department of Planning and Development, Gerry Triptree of the City Assessor's office, and Maria Canales, Executive Director of the Yonkers Empowerment Zone.

We would also like to acknowledge and express our gratitude to the Empire State Development Corporation – specifically for its support for the Nepperhan Valley planning study, and more broadly for its ongoing support for economic revitalization in Yonkers.

Finally, we are grateful to businesses and property owners in the Nepperhan Valley, as well as community organizations in the surrounding neighborhoods, without whose cooperation this project would not have been possible.

# **Part One: Regional, Local and Neighborhood Context**

## **Part One: Regional, Local and Neighborhood Context**

Opportunities for development in the Nepperhan Valley during the next twenty years will depend in part on trends and developments in the broader regional economy, and in the City of Yonkers.

### **The Regional Economy**

The overall health of the regional economy will significantly affect what is possible in the Nepperhan Valley. In a regional forecast prepared during the late 1990's, the New York Metropolitan Transportation Council estimated that between 2000 and 2020, total employment in the downstate metropolitan area would increase by 19 percent. For the Lower Hudson Valley, NYMTC projected only slightly faster growth – a 21 percent increase between 2000 and 2020 – and for Westchester County, a twenty-year increase of only 14 percent. This forecast suggests a pattern of relatively slow growth in overall demand for commercial space during the next two decades.

Just as important as these estimates of overall growth, however, is an understanding of the trends that will shape the character of the demand for space. Several trends in the regional economy may generate demand for space in the Nepperhan Valley. For example:

- During the boom years of the mid- to late 1990's, private-sector employment in New York City (and the consequent demand for space) grew much more rapidly than the supply of commercial space. While the combined effect of the recession and the September 11 terrorist attack has in the near term significantly reduced the demand for office space, several recent forecasts project that demand could rebound fairly quickly. The New York City Independent Budget Office, for example, has projected that employment in New York City will by late 2004 return to the peak level last reached in June 2001. But with very little new space scheduled to come on line before the end of 2004, the City could once again see a sharp decline in the availability of commercial space. As rents rise, Yonkers' attractiveness as a lower-cost alternative might increase as well.
- Concerns about vulnerability to terrorist attacks or other disasters have during the past year led businesses in a wide variety of industries – including financial services, law and business services – to explore options for dispersing their New York-area operations across several sites within the region, or for creating back-up facilities. Yonkers could potentially provide an attractive location for such firms.

- Demand for space during the next several years will not be limited to conventional office-based industries. For example, the continued growth of second-stage biotech companies is fueling demand for relatively low-cost suburban space in Westchester.
- In the longer term, rezoning for office use of areas now zoned industrial, such as the far West Side of Manhattan and Long Island City, could cause further relocation out of NYC of a wide range of businesses that support the major industries in the Manhattan CBD.
- Moreover, continued evolution toward a “just-in-time” economy will probably be increasing demand for close-in distribution facilities – just when that kind of activity is being squeezed out of the City.
- The past decade has seen a sharp increase in self-employment and in the number of small proprietors throughout the region. Between 1988 and 1999, for example, the number of proprietors in Westchester County grew by 31 percent – from 73,000 to 96,000. The continued growth of self-employment and small proprietorships could increase demand for the kind of small, relatively low-cost spaces found in the Nepperhan Valley.
- Closely related to the growth of self-employment is the growth of what some urban economists have referred to as “artisan” enterprises – small, craft-based businesses. These are already quite evident in the Nepperhan Valley (designers, woodworkers, piano restorers, etc.)
- Other life-style trends could affect Yonkers’ attractiveness – the popularity of live-work neighborhoods, the desire for a better work-life balance, demand for active recreation.

## **The Local Economy**

The City of Yonkers fared worse than the Tri-State area – and worse than the rest of Westchester – during the recession of the late 1980’s and early 1990’s; and it recovered much more slowly. Between 1988 and 1998 the City lost more than 7,000 jobs – about 15 percent of its total employment base. Since 1998, however, the City’s economy has begun to recover. Total employment grew by approximately 2,500 between 1998 and 2000.

According to the New York State Department of Labor, there were 42,127 people employed in Yonkers in 2000. Table 1 shows that the key industries were retail, health services, and education, together responsible for 43 percent of the jobs in Yonkers.

Yonkers industrial structure is similar to Westchester’s, with two notable exceptions. Yonkers has proportionally more jobs in social services (1.56 times



as many as it would have if it had an industrial distribution identical to Westchester) and in construction (1.47 times as many as Westchester).

**Table 1**  
**Employment by Industry in 2000**

	Yonkers #	Yonkers %	Westchester #	Westchester %	Yonkers/ Westchester
<b>Total</b>	<b>42,127</b>		<b>405,438</b>		
Construction	3,633	8.6%	23,745	5.9%	1.47
Manufacturing	3,754	8.9%	37,512	9.3%	0.96
Transportation, Communications, Utilities	2,750	6.5%	25,617	6.3%	
Wholesale	1,665	4.0%	22,715	5.6%	1.03
Retail	7,768	18.4%	63,958	15.8%	0.71
Finance, Insurance, and Real Estate	2,341	5.6%	26,289	6.5%	1.17
Depository Inst	608	1.4%	5,207	1.3%	0.86
Insurance	554	1.3%	8,263	2.0%	1.12
Brokers	5	0.0%	2,843	0.7%	0.65
Real Estate	1,136	2.7%	7,895	1.9%	0.02
Services	16,979	40.3%	176,690	43.6%	1.38
Business	1,308	3.1%	26,704	6.6%	0.92
Health	6,216	14.8%	45,173	11.1%	0.47
Education	4,303	10.2%	38,788	9.6%	1.32
Social	2,365	5.6%	14,575	3.6%	1.07
Other	3,237	7.7%	28,912	7.1%	1.56

Source: *New York State Department of Labor*

• **Employment Growth**

State Department of Labor data show that after years of decline, Yonkers began to rebound in the late 1990's. By 2000, however, Yonkers had not yet fully recovered from the recession of the late 1980's early 1990's (Table 2).

For all of Westchester County, in contrast, employment had by 2000 returned to pre-recession levels, exceeding 1998's and total by 0.4 percent. For the entire New York metropolitan area, employment in 2000 was 2.2 percent higher than it had been in 1988.

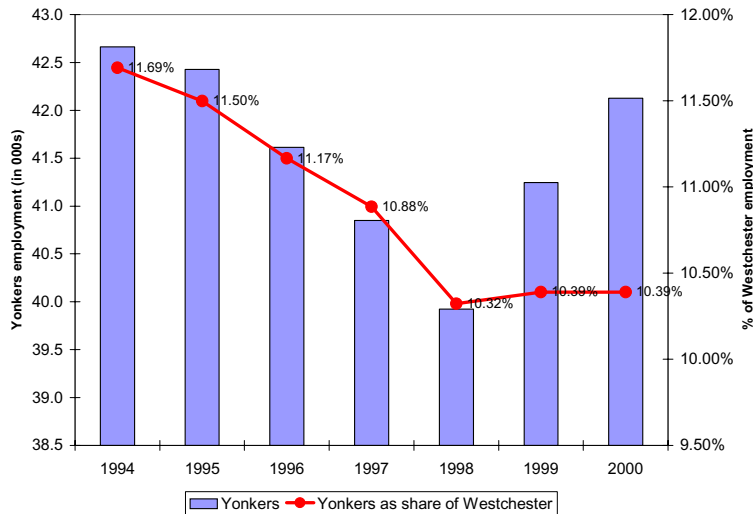
**Table 2**  
**Employment Growth**

	Yonkers	Westchester	MSA
1988	46,835	403,733	4,049,460
2000	42,127	405,438	4,139,454
1988-2000	(4,708)	1,705	89,994
1988-2000	-10.1%	0.4%	2.2%

Source: *New York State Department of Labor, US Bureau of Labor Statistics*

A closer look at data for the past seven years shows that, between 1994 and 1998, employment in Yonkers decreased at a faster rate than in Westchester County as a whole. Figure 1 shows how Yonkers' share of total Westchester employment decreased during these 5 years from 11.7 percent to 10.3 percent. In 1999 and in 2000 Yonkers experienced strong job growth, and its share of Westchester's total employment remained more or less stable.

**Figure 1**  
**Employment Growth in Yonkers**



Source: *New York State Department of Labor*

Ongoing developments in Yonkers suggest that the strong growth the city experienced in the late 1990's is continuing, with continued development on the waterfront and at Austin Avenue, and higher occupancy levels at i-Park and in several multi-tenant buildings in the Nepperhan Valley.

## The Neighborhood

The Nepperhan Valley industrial area is surrounded by several diverse neighborhoods. For purposes of this project, we took as our study area the five census tracts that surround (and also include) the industrial area. This five-tract area includes the Municipal Housing Authority's Mulford Gardens project, in Tract 5 – a structurally outdated, overcrowded public housing project that has one of the highest concentrations of poverty in the city. The Whitney Young Houses, in Tract 10, just south of the Nepperhan Valley industrial area, is also home to many low-income families. Other adjoining neighborhoods – especially to the

east, in Tract 16, and to the north in Tract 8 – are more working-class and middle-class in character. Some highlights on the characteristics of this area – which for purposes of this study we call the “Nepperhan Valley neighborhoods” - are presented below.

- **Population**

In 2001, the Nepperhan Valley neighborhoods had an estimated 19,751 residents, approximately 10 percent of Yonkers’ total population. Population grew at an average annual rate of 0.6 percent during the past 11-years, faster than the annual rate of 0.4 percent. As shown in Table 3, Tract 8.02 and 10 experienced the fastest growth, with average annual growth of 0.8 percent and 1.0 percent, respectively.

**Table 3**  
**Population of Nepperhan Valley Neighborhoods**

	1990	2001	2006	Average Annual Growth Rate 1990-2001	Average Annual Growth Rate 2001-2006	population/ square mile
Nepperhan Neighborhoods	18,625	19,751	20,154	0.5%	0.4%	12,298
Yonkers	188,082	196,65	199,486	0.4%	0.3%	10,877

Source: *Claritas*

- **Households**

In 2000 there were 7,160 households in the Nepperhan Valley neighborhoods. The average household size was 2.611, the same as in Yonkers as a whole and slightly more than the average for the Northeast (2.56). Of these households, 63 percent were families.

- **Race**

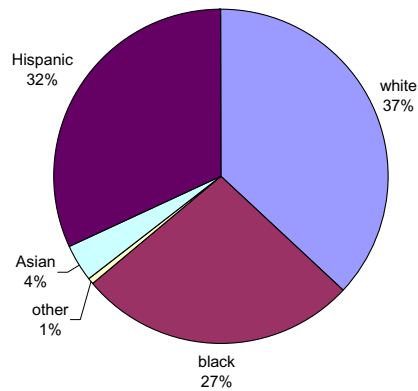
The neighborhoods are very diverse racially. According to Claritas, in 2001 37 percent was non-Hispanic white, 31.9 percent was Hispanic, and 26.8 percent was black (Figure 2).

Between 1990 and 2001, the Hispanic population of the Nepperhan Valley neighborhoods grew at an average rate of 7 percent a year. The black population grew by an average annual rate of 1.6 percent during that same period. While all other races grew, the white population decreased by 2,870 (-2.6 percent).

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<sup>1</sup> Household data are from the US Bureau of Census because the 2001 Claritas household data do not incorporate the 2000 Census data. Please note that census tract boundaries may have changed between the 1990 and 2000 censuses while Claritas 2001 data still uses 1990 census boundaries.

**Figure 2**  
**Race**



Source: *Claritas 2001*

- **Age**

In 2000, 29 percent of the neighborhood residents were minors, 56 percent of the residents was working age (between 18 and 64), and 16 percent were elderly. Although this age distribution is not substantially different from Yonkers as a whole (24 percent, 61 percent, and 15 percent, respectively), there is considerable variation among tracts as shown in Table 4. Approximately one of every three residents in Tracts 5 (36 percent) and 10 (33 percent) was a minor.

**Table 4**  
**Age groups by Tract**

Tract	5	6	8.02	10	16	NVA	Yonkers
Minors	35.7%	26.4%	23.3%	32.8%	23.1%	28.6%	24.3%
Working-age	51.2%	55.6%	60.4%	54.0%	61.5%	55.9%	60.7%
Elderly	13.1%	18.0%	16.3%	13.2%	15.4%	15.6%	15.0%

Source: *Census*.

- **Income**

The per capita income in the Nepperhan Valley neighborhoods in 2001 was \$17,388 and ranged from \$9,580 in Tract 5 to \$23,673 in Tract 16.02 as shown in Table 3. The median household income in that same year ranged from \$13,972 in Tract 5 to \$54,955 in Tract 8.02. By way of comparison, 2001 median household

income was \$52,100 in Yonkers and \$69,300 in Westchester (adjusted for inflation). Between 1989 and 2001, the area's real median household income grew modestly in some tracts but decreased in others.

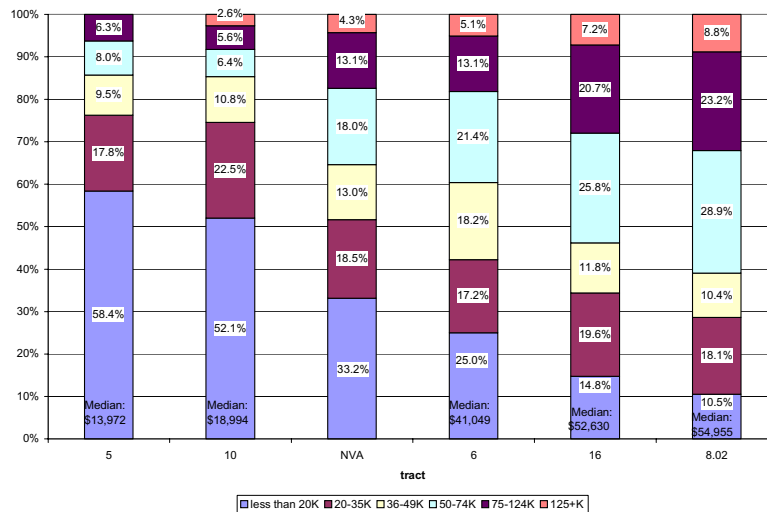
**Table 5**  
**Income**

TRACT	Per capita Income \$	Median HH Income 1989 (adjusted for inflation) \$	Median HH income 2001 \$	Change in Med. HH Income 1990- 2001
0005.00	9,580	14,018	13,972	0.0%
0006.00	19,356	42,412	41,049	-0.3%
0008.02	22,615	55,582	54,955	-0.1%
0010.00	13,057	20,533	18,994	-0.6%
0016.00	23,673	52,267	52,630	0.1%
NVN	17,388			

Source: Claritas

**Figure 3** shows the income distribution in each of the tracts. In the southern tracts (5 and 10), where the median household income was approximately \$14,000, there appears to be a concentration of very low incomes. Half of the households in Tract 5 have incomes of \$14,000 or less, and only 8 percent have incomes of between \$14,000 and \$20,000.

**Figure 3**  
**Household Income**



Source: Claritas

- Housing**

The US Bureau of Census reported 7,616 housing units in the Nepperhan Valley neighborhoods in 2000. With 94.0 percent of the units occupied, the vacancy rate (6.0 percent) for this area is higher than Yonkers' rate of 4.2 percent and

Westchester's rate of 3.5 percent. Of the occupied units, the majority were rentals. Overall, the area was characterized by a low owner-occupancy rate of only 23 percent. In Yonkers as a whole, 43.2 percent of the units were inhabited by their owners while in Westchester as a whole the owner-occupancy was 60.1 percent.

As with income, the level of homeownership varies across the area (Table 6). Tract 8.02 had an owner-occupancy rate which exceeded the Westchester average, while in Tract 5 only 4 percent of the occupied units were inhabited by their owners.

**Table 6**  
**Housing**

Tract	Housing Units 1990	Housing Units 2000	% occupied 2000	% Owner. Occupied 2000
0005.00	2,166	2,128	93.3%	4.2%
0006.00	2,502	2,562	94.0%	20.8%
0008.02	947	799	96.9%	64.2%
0010.00	790	758	92.5%	12.0%
0016.00	1,308	1,369	94.4%	36.7%
Nepperhan Valley Neighborhoods	7,713	7,616	94.0%	22.9%

Source: *Claritas*

- **Education**

More than a third (36 percent) of all adult residents of the Nepperhan Valley neighborhoods' adult population (age 25 and above) lacked a high school diploma (36 percent) in 2001. On the other hand, 18 percent of this age group had a post-secondary degree. As Table 7 shows, Tract 5 (which includes Mulford Gardens) was characterized by especially low educational attainment: 53 percent of the adult population in that tract lacked a high school diploma and an additional 25 percent did not receive any additional education after high school. The other southern tract, Tract 10, also exhibits low levels of educational attainment.

**Table 7**  
**Education**

TRACT	Less than 9th grade	9-12th Grade	HS Diploma	Some College	Associate's Degree	Bachelor's Degree	Graduate or Professiona l/Degree
0005.00	26.4%	27.1%	24.5%	10.6%	4.1%	4.6%	2.7%
0006.00	15.7%	16.9%	29.4%	14.8%	7.2%	10.8%	5.2%
0008.02	12.0%	19.7%	34.9%	12.5%	4.9%	10.4%	5.7%
0010.00	13.5%	26.2%	28.6%	21.3%	2.0%	6.6%	1.8%
0016.00	13.9%	11.3%	43.1%	10.4%	6.1%	12.6%	2.6%
Total	16.9%	19.3%	31.6%	13.3%	5.5%	9.4%	3.9%

Source: *Claritas*

• **Labor force**

In 2001 the working age population (here defined as 16 years and older) living in the Nepperhan Valley neighborhoods totaled 14,999. Only 48 percent of these residents were employed, as shown in Table 8. The remainder either did not participate in the labor force or were unemployed, meaning that they were actively seeking work. The unemployment rate was 11.9 percent, more than twice the New York metro area's.<sup>2</sup> The southern tracts, Tract 5 and 10, had unemployment rates exceeding 20 percent.

**Table 8**  
**Labor Force**

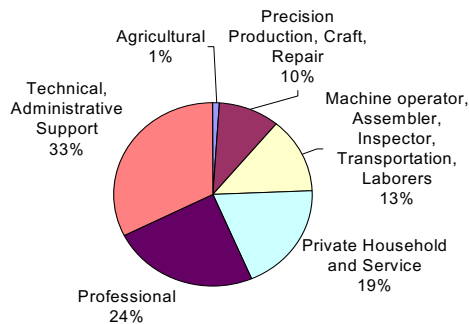
TOTAL	Employed	Employment rate	Labor force participation rate	Unemployed	Unemployment rate
14,999	7,243	48.3%	54.8%	974	11.9%

Source: *Claritas*

• **Occupations**

Of the residents who were employed in 2001, the single largest occupational class was the technical, sales, or administrative support occupation as shown in Figure 4. There is considerable variation among tracts, with the southern tracts having relatively few residents employed in professional occupations (15 percent in Tract 5 and 13 percent in Tract 10) and more people in service and the low-skill blue-collar jobs<sup>3</sup> (53 percent in Tract 5 and 42 percent in Tract 10).

**Figure 4**  
**Occupations**



Source: *Claritas 2001*

<sup>2</sup> The US Bureau of Labor Statistics reported that an annual average unemployment rate in 2001 in the NY PMSA was 5.6.

<sup>3</sup> Occupations included in this category are: machine operators, assemblers, inspectors, transportation personnel, and laborers.

- ***Workers employed in the area.***

According to Claritas, 10,666 people were employed in the Nepperhan Valley industrial area and the surrounding neighborhoods in 2001 (Table 9). Almost one out of every four workers was employed in the public sector. Health services and the transportation, communications, and utilities sector were the largest industries. Compared to Yonkers as a whole, the area has few retail jobs, jobs in the finance, insurance and real estate sector, and many wholesale jobs.<sup>4</sup>

Major employers in the surrounding neighborhoods (excluding those within the Nepperhan Valley industrial area, which are described in Part Two) include St. Johns Riverside Hospital (formerly Yonkers General), the Regency Extended Care Center, the Westchester School for Special Education, and the Greyston Foundation.

**Table 9**  
**Employment in the area: 2001 Estimates**

	#	%
<b>Total</b>	<b>10,677</b>	
Private Sector	8,109	75.9%
Public Sector	2,478	23.2%
Home	84	0.8%
Military	6	0.1%
Private Employment:		
Agriculture	884	8.3%
Manufacturing	995	9.3%
Transportation, Communication, Utilities	1,264	11.8%
Wholesale	870	8.1%
Retail	842	7.9%
FIRE	106	1.0%
Bus, Rep, Pers Svc	969	9.1%
Ent, Rec Svc	171	1.6%
Health Svc	1,679	15.7%
Education	329	3.1%

Source: *Claritas*

- ***Journey to Work***

According to the 1990 Census, most Nepperhan Valley Neighborhood workers commuted by car, 64 percent drove alone and 13 percent drove with others. Another 10 percent commuted by bus, 6 percent walked, and 4 percent commuted by rail. Compared to Yonkers as a whole, more workers drove and fewer workers walked to their Nepperhan Valley jobs in the area (Table 10).

<sup>4</sup> A complete comparison of employment in the Nepperhan Valley Area and Yonkers is not included because the data is not from the same source and is broken down differently



**Table 10**  
**Journey to Work: 1990**

	Nepperhan Valley Neighborhoods	Yonkers
All means	10,974	55,419
Drove alone	64.0%	59.1%
Bus or trolley bus	10.5%	11.7%
2 person carpool	9.9%	9.4%
Walked	5.9%	8.2%
More than 2 person carpool	3.3%	3.1%
Subway or elevated	2.7%	3.4%
Railroad	1.6%	1.2%
Worked at home	0.8%	2.5%
Taxicab	0.6%	0.8%
Bicycle	0.3%	0.1%
Other means	0.3%	0.4%
Ferryboat	0.1%	0.1%

Source: 1990 Census

- **Community Issues**

Discussions with representatives of several neighborhood groups have highlighted a number of issues of concern to area residents, including:

- **Crime:** Residents are concerned about what they see as high levels of illicit activity within and bordering the Nepperhan Valley industrial area – low-level drug trade, prostitution and occasional street crime.
- **Traffic congestion:** Traffic is severely congested – especially along Saw Mill River Road, and at certain hours of the day. Double-parking aggravates the problems and makes shopping difficult.
- **Traffic and pedestrian safety:** Heavy traffic on Saw Mill River Road creates pedestrian safety problems. On Nepperhan Avenue, the speed of traffic and the lack of signals at major pedestrian crossings are also seen as a source of safety problems.
- **Inadequate parking:** Residents cited two types of parking problems. Inadequate off-street parking in the Saw Mill River Road retail area contributes to double-parking and congestion. In addition, the lack of adequate employee parking within the Nepperhan Valley Industrial area leads workers to park on Saw Mill River Road and on side streets in the surrounding neighborhoods; this adds to congestion and makes resident parking more difficult.
- **Inadequate retail services:** Neighborhood retail services were cited by some residents as being scarce – for example the lack of an adequate supermarket in the area.

- ***Lack of outdoor recreation:*** Several residents cited the lack of public parks and outdoor recreational space as one of the area's problems.

Redevelopment of the Nepperhan Valley could provide an opportunity to address these issues – and to provide a wide range of new employment opportunities for neighborhood residents.

## **Part Two: Existing Conditions**

## **Part Two: Existing Conditions**

### **Overview**

The Nepperhan Valley Industrial Area extends for approximately one mile on either side of the Saw Mill River. The area is nestled between two ridges, on the inland side of one of the hills that separate the Downtown and Waterfront districts from the rest of the city. Two residential neighborhoods occupy the valley's eastern and western slopes. The Oakland cemetery as well as the residential area to the east of the valley forms a barrier between the study area and the Saw Mill River Parkway.

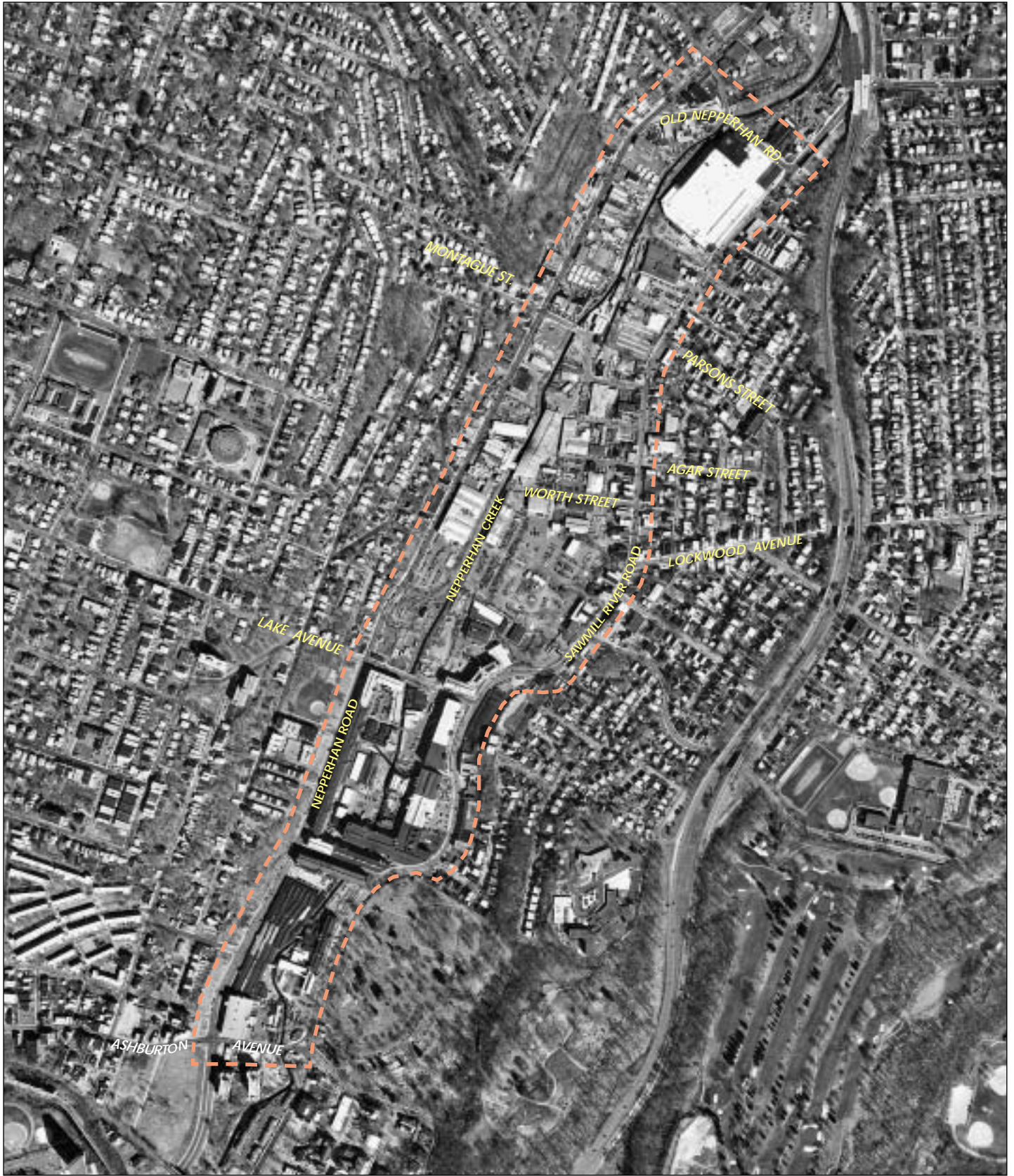
The Nepperhan Valley's total land area approximates 110 acres, defined by Ashburton Avenue on the south, Nepperhan Avenue on the west, Saw Mill River Road on the east and Old Nepperhan Avenue on the north. Uses within this area encompass a wide range of industrial, commercial and storage uses including manufacturing businesses, commercial storage space, auto services and a number of bus garages and bus parking areas. There are over 200 firms operating in the area, providing an estimated 3,200 jobs.

### **Historic Development**

The development of the Nepperhan Valley predates the Civil War by a number of years and mirrors that of the larger City of Yonkers. The valley initially developed as a carpet manufacturing area, and the study area's earliest development is attributable to the Alexander Mill Carpet Company. The 38-acre manufacturing complex constructed between 1871 and 1930 lines the banks of the Nepperhan Creek, which for many years was the major source of power for mill operations. The complex is significant to both the industrial development of the City of Yonkers and the development of Westchester County.

The carpet industry developed in Yonkers as a result of new tariff laws imposed in the 1820's. These imposed duties on foreign-made carpets, restricted their import and stimulated domestic production. In 1864 Alexander Smith who owned a small carpet production plant in the Bronx moved his weaving operation to the former Waring Hat Factory located at the southern end of the study area. The relocated manufacturing plant relied on the Nepperhan Creek for power and later benefited from direct access to the New York City Railroad, which ran through the site.

The first building to be built by Alexander Smith is located east of the creek between Axminster Street and Ashburton Avenue. This two-part French Second Empire style building was constructed in two phases (1871, 1876) and designed to be used as a worsted yarn mill. The construction of single story washing, printing



**NEPPERHAN VALLEY**  
Yonkers, NY

*Figure 1. March 1998 Aerial Photo*

--- Study Area

and winding shops on the other side of the river soon followed (1880). The beginning of the twentieth century saw the construction of a set of four story weaving and storage facilities on Saw Mill River Road between Axminster Street and Lake Avenue. A four story L shaped building was also erected along Nepperhan Avenue to house the company's looms. In 1920, forty-five buildings belonging to the Alexander Smith Carpet Company had been built on the southern end of the site (Figure 3) and by 1930, the Alexander Smith and Sons Carpet Company occupied the portion of the study area spanning from Ashburton Avenue to Lake Avenue. The mills remained very successful, employing up to 7000 people, until the end of World War II. As inexpensive imports invaded the domestic market and new labor laws changed the manufacturing environment, they fell on increasingly harder times. The mills finally ceased operations in 1954.

However, many of the original Smith Carpet Company buildings remain on the site today. Figure 3 illustrates the location of building constructed prior to 1920, south of Lake Avenue. All of these buildings are original Alexander Smith facilities. In 1978, two of the mill's principal buildings (540-578 Nepperhan Avenue) were purchased and renovated by the Yonkers Industrial Development Corporation. In 1983 these buildings, which were later renamed the Nepperhan Business Center, were declared national historic landmarks by the U.S. Department of the Interior. A historic district called the Alexander Smith Carpet Mills Historic District was also established between Saw Mill River Road, Orchard Street, Lake Avenue and Ashburton Avenue.

Owners of National Historic Landmarks and properties listed on the National Register such as the properties belonging to the Alexander Smith Carpet Mills Historic District are free to manage their property as they choose, provided no federal license, permit, or funding is involved. Pursuant to section 106 of the National Historic Preservation Act of 1966, federal agencies undertaking a project having an effect on these structures must give the Advisory Council on Historic Landmark an opportunity to comment on the project. Actions undertaken on historic buildings can also require the preparation of environmental assessment documents. Conversely, owners of properties in the historic district are eligible to be considered for Federal grants in aid of historic preservation. Owners of historic buildings may also benefit from the investment tax credit provisions of the Revenue Act of 1978.

While carpet factories and sawmills developed near the creek at the southern end of the valley, residential neighborhoods for the factory's workmen spread up the valley's slopes. By 1917 a number of public streets had been mapped on the northwestern section of the site, between Pearl Street and Iselin Place. The platting of these streets and the parcels within them extended the block-and-lot pattern of the residential neighborhood on the other side of Saw Mill River Road. As a result, some sections along the edge of the study area have retained their original residential character. Many of these sections have integrated commercial uses on the ground level and retained residential uses above.

With the exception of the Water Supply Pump House (now located on the site of the Yonkers Transfer Facility), much of the northern end of the site was developed later and has become the home to many of Yonkers' industrial and manufacturing businesses.

## **Building Uses**

Existing building uses are shown in Figure 4. They are summarized below, divided into three geographic areas that make up the study area.

- ***Ashburton Avenue – Lake Avenue***

This portion of Nepperhan Valley contains the historic buildings once occupied by Alexander Carpet Mills. The area, divided into two large blocks by Axminster Street, now contains a mix of light industry, storage, showroom and sales space, and mixed commercial uses. Many of the larger buildings are under-utilized and contain a variety of small-scale businesses in addition to space available for rent.

The northern block, covering about 18 acres, contains the core of historically significant buildings that range in height from three to six stories. These buildings are oriented to the main roads, with the central area containing a mix of one and two story structures, many of which are vacant and in disrepair. Dominant uses include commercial storage (e.g. Storage USA) and furniture/carpet showroom space (I-Mark Furniture, Allen Carpets). The historically important brick building facing Nepperhan Avenue, continuous for almost the entire 1200 feet of the block, contains a variety of smaller scale businesses that include industrial supply outlets, antique imports, custom framing, furniture refinishing and small manufacturing and assembly firms.

The smaller southern block includes, along Axminster Street, a city-owned three-story building now under renovation. As the future Nepperhan Valley Technology Center, the building will eventually provide space for offices and will also be used by the City Empowerment Zone office. Two additional prominent buildings exist in this block: the three-story storage facilities on the north side of Ashburton Avenue (Shurgard Storage); and, facing the Oakland Cemetery, the architecturally important mill building that is partially vacant. Other buildings in the block are generally single story.

Uses along the perimeter of this section of the study area include public parking lots and landscaped open space along the west side of Nepperhan Avenue. Uses along the east of Saw Mill River Road include the Oakland Cemetery, auto-service/sales businesses (such as a Hertz Truck rental) and furniture sales outlets. The City of Yonkers Water Department building faces Lake Avenue. Three gas stations are located along the south side of Ashburton Avenue.

- ***Lake Avenue – Torre Place***

The central section of the study area includes a very broad range of building uses in addition to large-scale industrial premises. The uses include:

- The Precision Valve Corp. complex on Nepperhan Avenue
- The four-story light industrial/office building complex on the north side of the Lake Avenue/Saw Mill River Road intersection
- The 8.3 acre Con Edison property
- Retail, office, restaurant and other commercial uses on Saw Mill River Road (between Palmer Road and Eastman Street)
- Truck and bus storage, including auto service/sales uses in the central portion of this sector
- St. Bartholomew's School and Church
- The City transfer station
- Over 30 residential structures that are scattered along the perimeter of this portion of the study area.

- ***Torre Place – Old Nepperhan Avenue***

To the north, the study area is dominated by the Liberty Lines Transit Facility building which occupies most of the County-owned 8.8 acre site. Much of the surrounding site area contains additional bus storage uses, as well as truck repair and auto service businesses. Examples on Nepperhan Avenue include H&C Truck Repair, Honda Car sales, Tolli Bros. Body Repair and RNR Auto Service. Significant light industrial uses on Saw Mill River Road include a newly constructed building facing Ferndale Street and, near Torre Place, American Specialties Inc.

The north side of Torre Place includes a mix of auto sales uses, a bus storage yard and Torre Lumber. Uses along the east side of Saw Mill River Road comprise a mix of small-scale buildings, parking lots and outdoor service areas. Most of the buildings are industrial in nature and include a number of auto service businesses. A number of residential buildings are also located in this area, primarily in the section between Richmond Place and Parsons Street. The north portion of the study area contains a public parking lot.

Tables 1A and 1B illustrate the breakdown of buildings and gross square footage per land use. Out of a total gross area of 4.5 million square feet, 45% is dedicated to industrial uses, 25% to commercial uses and 12% to transportation and utilities. Industrial uses are concentrated in the southern section of the study area with 1.5 million gross square feet. Transportation uses are concentrated in the northern section and the central section has the majority of commercial uses.



**Tables 1A and 1B: Buiding Uses in the Nepperhan Valley**

Study Area	Land Use								Total # of Bldgs
	Miscellaneous		Commercial		Industrial		Transportation/Utilities		
	# of Bldgs	%	# of Bldgs	%	# of Bldgs	%	# of Bldgs	%	
Northern Section	15	23%	36	55%	11	17%	3	5%	65
Central Section	44	32%	66	48%	17	12%	10	7%	137
Southern Section	17	34%	11	22%	19	38%	3	6%	50
Total by Land Use	76	30%	113	45%	47	19%	16	6%	252

Study Area	Land Use								Total Area SF
	Miscellaneous		Commercial		Industrial		Transportation/Utilities		
	Area SF	%	Area SF	%	Area SF	%	Area SF	%	
Northern Section	111,254	12%	240,811	26%	165,475	18%	417,817	45%	935,358
Central Section	200,206	16%	638,686	51%	323,911	26%	84,349	7%	1,247,152
Southern Section	534,802	23%	211,906	9%	1,532,090	66%	55,509	2%	2,334,307
Total by Land Use	846,262	19%	1,091,403	24%	2,021,476	45%	557,675	12%	4,516,817

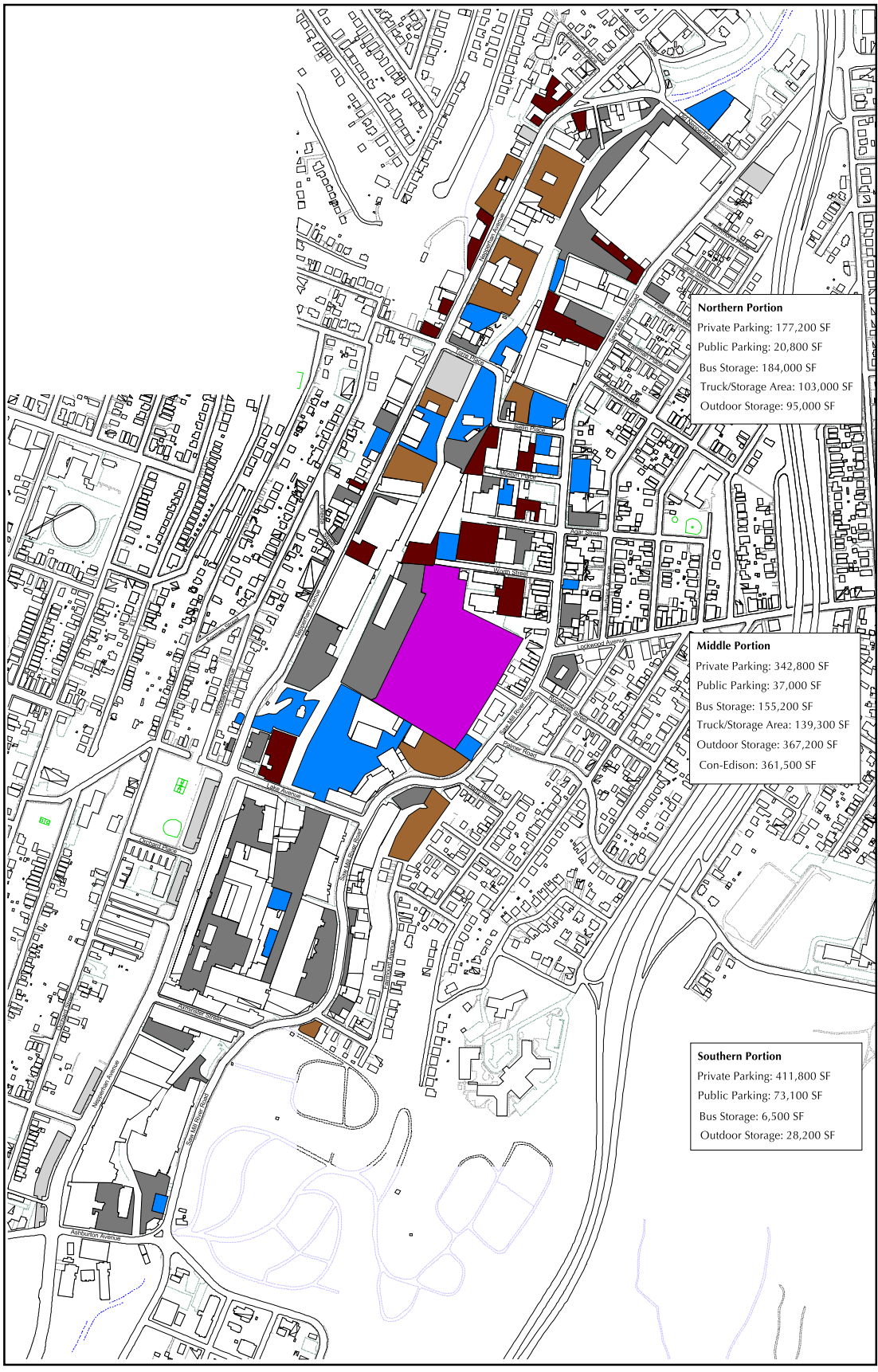
## Site Area Uses

Many of the uses concentrated in the Nepperhan Valley have accompanying exterior auxiliary uses. As illustrated in Figure 5, these uses include private parking lots, public parking lots, bus storage, truck and service areas, outdoor storage and a large area dedicated to storage for Con Edison.

The automobile service businesses found north of Worth Street, as well as along Nepperhan Avenue, have substantial open-air material storage areas, as well as outdoor vehicle storage areas. Similarly, large tracks of land have been dedicated to the storage of trucks and buses. Con Edison has dedicated a large site, located between Lake Avenue and Worth Street and between Saw Mill River Road and the creek, as a “work-out” facility that incorporates this type of storage.

All but a few of the exterior areas on the southern half of the site are dedicated to automobile parking. Most of these private parking lots face directly onto the street on the southern most block. On the block between Lake Avenue and Axminster Street, they are wedged in between old mill buildings, and are therefore hidden from view. The site also contains a number of public parking lots. These are located on the western edge of Nepperhan Avenue, at the corner of Nepperhan Avenue and Torre Place and on Saw Mill River Road near the intersection with Old Nepperhan Avenue.

Table 2 illustrates the breakdown of the site area uses by section. The study area contains 57 acres or 2.5 million square feet of exterior uses. The greatest proportion of this area is dedicated to private parking (21 acres) followed by outdoor storage (11 acres), bus storage (8 acres) and Con Edison outdoor storage (8 acres). More than half (56%) the site area uses are located in the middle section



- Site Area Use**
- Private Parking
  - Public Parking
  - Bus Storage
  - Truck/Storage Area
  - Outdoor Storage
  - Con-Edison Site

**NEPPERHAN VALLEY**  
Yonkers, NY

**Figure 5.**  
**Site Area Use**

of the study area. This section contains a large proportion of the outdoor storage areas, private parking, the truck and storage areas as well as the entire Con Edison storage area.

**Table 2:**  
**Site Area Uses in the Nepperhan Valley**

Study Area	Site Area Uses						Total Area SF (Acres)
	Northern Section		Central Section		Southern Section		
	Area SF	%	Area SF	%	Area SF	%	
Private Parking	177,247	19%	342,736	37%	412,771	44%	932,754 (21.4)
Public Parking	20,832	16%	37,037	28%	73,119	56%	130,988 (3)
Bus Storage	183,985	53%	155,236	45%	6,521	2%	345,742 (7.8)
Truck/Storage Area	103,045	43%	139,283	57%	0	0%	242,328 (5.6)
Outdoor Storage	95,025	19%	367,208	75%	28,253	6%	490,486 (11.3)
Con Edison	0	0%	361,548	100%	0	0%	361,548 (8.3)
Totals	580,134	23%	1,403,048	56%	520,664	21%	2,503,846 (57.4)

## Zoning

The bulk of the Nepperhan Valley is appropriately zoned for industrial uses, but there are a few adjacent zones within the study area that have other classifications. A description of the major zones and their distinguishing uses is provided below.

- ***Industrial***

Within the industrial zone, the majority of permitted uses are in the categories of industrial, warehouse and storage uses. Residential uses are excluded from all industrial zones. Limited business and commercial uses are permitted within industrial zones, including day care centers, commercial recreation, restaurants, offices and pawnshops. Municipal uses (City of Yonkers) are also permitted within this zone. The majority of non-residential accessory uses are permitted in the industrial zone; the most relevant regulations for the current property owners are those that allow for outdoor storage, loading, and refuse collection.

- ***Commercial and Light Manufacturing***

Although the Nepperhan Valley Empowerment Zone is primarily zoned for industrial use, it borders on several smaller areas zoned for other compatible uses. Among these, the largest area to the northeast is zoned for commercial and light manufacturing uses, excluding residences. Additional uses permitted as-of-right in this area include indoor recreation, banks and financial uses, personal services and commercial schools.

- ***Business***

A small section bordering the site between Agar Street and Harty Street, including all of Lockwood Avenue, is designated as a business zone. This zone is intended to provide for neighborhood businesses and medium-density apartment houses. Additional permitted uses in this zone include places of worship, funeral parlors, fast food restaurants and food stores.

- ***Medium Density Residential / Single Family Detached (S-60)***

On the southeast border of the Nepperhan Valley there is a large cemetery in the S-60 zone. Other neighboring residential zones border the site to the west, at the top of the valley to the north of Lake Avenue (medium density and two-family dwellings), and to the east between Harty Street and Homesite Parkway. The few houses in the areas that border the site are part of the residential neighborhoods to the east and west, and are included within one of these primarily residential zones. Industrial uses are not permitted in residential zones.

## Building Conditions

An assessment of existing building conditions was made based on a brief visual inspection of the exterior condition of structures within the study area. Figure 7 illustrates the results of this survey with buildings designated by the following three categories:

- Good: recently constructed or generally well maintained structures
- Fair: buildings that require maintenance and repair but appear structurally sound
- Poor: deteriorated buildings and structures that could be considered for demolition.

Significant newer or well maintained buildings in the area include:

- The complex of three and four story storage, furniture sales and warehouse buildings on Saw Mill River Road, immediately to the north of Axminster Street.
- The one and two story structures that line the east side of Saw Mill River Road, between Homesite Parkway and Harty Street.
- The Nepperhan Valley Technical Center building on the south side of Axminster Street, now under extensive renovation.
- No. 201 Saw Mill River Road.
- The Precision Valve Corporation buildings on Nepperhan Avenue.
- American Specialties Inc.
- The Liberty Lines Transit Facility at the northern end of the study area.

In addition to these larger-scale structures that are in relatively good condition, a number of commercial and mixed-use buildings within the business corridor along Saw Mill River Road (between Palmer Road and Agar Street) are also well maintained.

Although deteriorated structures can be found scattered throughout the study area, concentrations of buildings in poor condition are found within three general areas:

- Within the central area of the block between Axminster Street and Lake Avenue. This area includes a number of underutilized one and two story buildings in varying degrees of disrepair.
- Within a number of interior blocks serviced by the series of streets off Saw Mill River Road (Worth, Agar and Mostyn Streets and Iselin Place).
- Along the west side of Nepperhan Avenue, north of Montauk Street, where the area is dominated by auto, truck and bus service buildings and storage yards.

Tables 3A and 3B illustrate the breakdown of buildings and gross area by building condition. The study area contains roughly 230 buildings. Only 8% of

these buildings' gross area footage is in poor condition compared to nearly half (47%) of which is in fair condition and 45% of which is in good condition.

**Tables 3A and 3B:  
Building Conditions in the Nepperhan Valley**

Study Area	Building Condition						Total #of Bldgs
	Good		Fair		Poor		
	# of Bldgs	%	# of Bldgs	%	# of Bldgs	%	
Northern Section	13	22%	33	55%	14	23%	60
Central Section	49	40%	52	42%	22	18%	123
Southern Section	19	40%	17	36%	11	23%	47
Totals	81	35%	102	44%	47	20%	230

Study Area	Building Condition						Total Area
	Good		Fair		Poor		
	Area SF	%	Area SF	%	Area SF	%	
Northern Section	580,761	68%	227,676	27%	47,716	6%	856,153
Central Section	556,716	46%	508,175	42%	139,901	12%	1,204,791
Southern Section	823,508	35%	1,343,425	57%	170,738	7%	2,337,671
Totals	1,960,985	45%	2,079,276	47%	358,354	8%	4,398,615

## Ownerships and Employers

A significant portion of the Nepperhan Valley study area is controlled by a few property owners with major land holdings in the area. Claritas and recent Westchester County Tax Assessment records provided the data in Figure 9 and Table 4. The sections below describe the major land holdings in each of the area, as well as the major tenants and the larger employers.

- ***Ashburton Avenue – Lake Avenue***

The analysis of building uses illustrates that the southern section of the Nepperhan Valley contains primarily light industrial and storage uses. The ownership of these properties is indicative of these uses, with the majority of lots being owned either by realty companies (NAM Realty Corp, Lake Avenue Realty Corp, Lein Realty, SL&D Properties LLC), or by storage companies (Public Storage Management Inc and U-Haul International). The single largest employer in the area is Maytex Mills, which leases space 498 Nepperhan Avenue. Other tenants of this property to Excelsior Automotive Electrical Products and Associated Enterprises Inc. Together, these three businesses employ approximately 500 people. The City of Yonkers also owns property in this area. In addition, the Yonkers IDA owns 470 Nepperhan Avenue, which is currently being renovated for use by office and technology tenants.

- ***Lake Avenue – Torre Place***

Between Lake Avenue and Torre Place, Con Edison, Precision Valve Corp. and Ecco III Enterprises own large parcels of land. Although Con Edison owns a substantial portion of this part of the study area, the utility company only employs a small number of people on-site. Precision Valve Corp. employs approximately 325 persons, making it the second largest employer in the Nepperhan Valley. Ecco III Enterprises, a heavy construction company, has its administrative offices, maintenance shops and storage facilities in this area. It also leases its property to light industrial, warehouse and automobile garage tenants, who employ roughly 250 people on the site. Ecco itself employs several hundred people; during the normal workday, however only about 50 routinely work in the company's Nepperhan Valley facilities

Other major landholders include Jerome Realty LLC, which owns mostly vacant auto body and light industrial properties on Agar Street, and Saw Mill Auto Wreckers Inc, which fronts onto Worth Street. Other major employers in the area include Miele Auto Shop (50 employees), Community Ambulette (60 employees) and Mile Square Transportation (150 employees). Most employees of the last two companies actually work off-site for most of the work day.

• **Torre Place – Old Nepperhan Avenue**

The section of Nepperhan Valley north of Torre Place is dominated by bus storage and garage uses. Westchester County owns the lot at the corner of Old Nepperhan Avenue and Saw Mill River Road, and leases the property to Liberty Lines for bus storage and maintenance. With 625 employees, Liberty Lines is the largest employer in the Nepperhan Valley. However, most of these employees do not work on-site for the duration of the workday. American Specialties Inc. owns and operates a manufacturing facility to the south of the County property, employing 315 persons.

On the opposite side of Saw Mill River Road, County Ceiling Co. and ABS Sales Co. employ approximately 140 persons in auto-related uses. Torre Brothers Lumber occupies a large lot fronting on Torre Place, adjacent to the Saw Mill River.

Along Nepperhan Avenue, the major landholders and employers are also bus and auto-related uses. The Central Bus Company Inc. operates with over 250 employees, and Eagle Transit (located immediately to the north) employs another 35 persons. Ecco III Enterprises also manages property in this section of the Nepperhan Valley, and leases it to the Yonkers Motors Corp., which employs just over 40 persons.

**Table 4:  
Major Land Ownership and Employers in the Nepperhan Valley**

Owner	Lessee/Occupant	Address	Lot Area SF	Number of Employees Est.
Westchester County	Liberty Lines	475 Saw Mill River Rd	427,578	625
Precision Valve Corp.	Precision Valve Corp.	700 Nepperhan Ave	221,913	325
American Specialties Inc.	American Specialties Inc.	441 Saw Mill River Rd	239,957	315
Ecco III Enterprises		201 Saw Mill River Rd	43,225	250
	Yonkers Motor Corp.	870 Nepperhan Ave		40
Formost Realty Corp.	Mile Square Transportation	41 Torre Place	44,610	150
Central Bus Co. Inc.	Central Bus Co. Inc.	840 Nepperhan Ave	59,261	100
	Central Bus Service Tours	845 Nepperhan Ave		150
Maytex Mills	Maytex Mills	498 Nepperhan Ave	105,862	100
	Excelsior Automotive Electrical Products	498 Nepperhan Ave		94
	Associated Enterprises Inc.	498 Nepperhan Ave		65
	ABS Sales Co.	418 Saw Mill River Rd		100
	County Ceiling Co.	418 Saw Mill River Rd		45
	Community Ambulette			60
	Miele Auto Shop			50
Private Owner	Eagle Transit Inc.		23,519	35
City of Yonkers		470 Nepperhan Ave	223,117	
		876 Nepperhan Ave		
		806 Nepperhan Ave		
		610 Nepperhan Ave		
Con Edison		265 Saw Mill River Rd	361,548	



## **Transportation**

### **Road Network**

- ***Regional Roadways***

Excellent regional access is provided to the site via several major roadways. The various regional roadways are shown on Figure 10.

The New York State Thruway (I-87) provides north/south access for passenger vehicles as well as heavy vehicles. I-87 extends from Westchester County to and beyond Rockland County. At the New York City line, I-87 becomes the Major Deegan Expressway. I-87 has interchanges at Tuckahoe Road and in the vicinity of the Cross County Parkway. The Interchange at the Cross County Parkway provides access to and from Central Park Avenue.

The Saw Mill River Parkway essentially parallels I-87 in the study area and is located just east of the site. The Saw Mill River Parkway has interchanges at Yonkers Avenue, Palmer Road, Rossiter Avenue (near Tuckahoe Road), as well as Nepperhan Avenue north of the site. The Parkway is limited to passenger vehicles.

The Sprain Brook Parkway and Bronx River Parkways are also north/south roadways, located east of I-87.

The Cross County Parkway is an east/west roadway which links the aforementioned parkways and I-87. This Parkway extends from the Saw Mill River Parkway in an easterly direction to the Hutchinson River Parkway.

Route 9A traverses the site along Saw Mill River Road and extends west from the site and south into New York City. Route 9A extends north from Tuckahoe Road through Westchester County. This roadway typically accommodates significant heavy vehicle traffic since many of the other north/south roadways prohibit heavy vehicles and this roadway passes through local destinations.

Route 9 is a north/south roadway located west of the site, which extends from New York City through the western portion of Westchester County. Route 9 is known as North Broadway through the majority of the City of Yonkers.

- ***Local Roadways***

Nepperhan Avenue provides two travel lanes in each direction between Ashburton and Lake Avenue. North of Lake Avenue, Nepperhan Avenue is reduced to one travel lane in each direction. Metered parking is provided along much of the roadway. Several bus stops are located at intersections along Nepperhan Avenue. Figure 11 includes photographs of Nepperhan Avenue.

Saw Mill River Road parallels Nepperhan Avenue in the study area and also runs generally in a north/south direction. Saw Mill River Road is also known as NY Route 9A north from Ashburton Avenue. As shown on Figure 12, Saw Mill River Road generally provides one lane in each direction. Metered parking and bus stops are also provided along Saw Mill River Road.

Ashburton Avenue extends from Yonkers Avenue to the Hudson River waterfront. In the vicinity of the site, Ashburton Avenue generally provides one travel lane in each direction with separate left turn lanes at Nepperhan Avenue. Ashburton Avenue is also known as Route 9A from Saw Mill River Road to North Broadway.

- ***Traffic Conditions***

John Meyer Consulting has evaluated existing traffic operations in the Nepperhan Valley Study Area. The specific intersections initially considered as part of this analysis are as follows:

- Saw Mill River Road/Walnut Street & Ashburton Avenue
- Nepperhan Avenue & Ashburton Avenue
- Nepperhan Avenue & Axminster Street
- Nepperhan Avenue & Lake Avenue
- Nepperhan Avenue & Old Nepperhan Avenue

Field reconnaissance has been performed at the area intersections as well as along Nepperhan Avenue and Saw Mill River Road. The field work included an analysis of existing travel lanes, parking availability and utilization, bus stop locations, horizontal and vertical alignments, pedestrian activities, sidewalks, etc.

Manual turning traffic counts were undertaken to determine existing peak-hour volumes on weekdays. The counts were conducted on May 16, 2002 at the five intersections. Morning counts were conducted from 7:00 to 9:00 AM and the afternoon counts were from 4:00 to 6:00 PM. An analysis of the countered volumes indicates the peak AM hour occurs from 7:45 to 8:45 and the peak PM hour occurs from 4:30 to 5:30. The peak-hour volumes for the initially analyzed intersections as well as additional more remote intersections are illustrated on Figures 13 and 14.

The capacity analyses indicate that adequate capacities currently exist at the majority of the analyzed intersections. Delays currently exist along Ashburton Avenue during the peak hours. The results of the analyses are summarized on Table 5.

The signalized intersection of Nepperhan Avenue and Old Nepperhan Avenue generally operates without delays and provides significant excess capacity. The overall intersection Level of Service is B for both the Peak AM and PM hours.

**Table 5  
Existing Intersection Operation**

INTERSECTION	APPROACH	LANE GROUP	PEAK AM HOUR			PEAK PM HOUR		
			V/C	DELAY	LOS	V/C	DELAY	LOS
1. Nepperhan Avenue and Old Nepperhan Avenue (Signalized)	Westbound	Left/Right	.35	9.5	A	.37	9.7	A
	Northbound	Thru	.71	37.5	D	.71	37.8	D
		Right	.26	.4	A	.23	.4	A
	Southbound	Approach		17.9	B		19.3	B
		Thru	.48	30.2	C	.58	32.7	C
		Intersection		17.7	B		19.3	B
2. Nepperhan Avenue and Lake Avenue (Signalized)	Eastbound	Left	.02	31.4	C	.03	31.4	C
		Thru/Right	.43	34.5	C	.14	32.2	C
		Approach		34.3	C		32.1	C
	Westbound	Left	.57	33.1	C	.63	34.8	C
		Right	.09	24.5	C	.11	24.8	C
		Approach		32.0	C		33.5	C
	Northbound	Thru	.28	19.8	B	.47	22.9	C
		Right	.35	21.0	C	.40	21.9	C
		Approach		20.4	C		22.4	C
	Southbound	Left/Thru	.33	20.0	B	.46	21.8	C
	Intersection			24.7	C		25.0	C
3. Nepperhan Avenue and Axminster Street (Unsignalized)	Westbound	Left/Right	.66	36.9	E	.51	21.2	C
	Southbound	Left/Thru	.27	10.2	B	.17	9.8	A
4. Nepperhan Avenue and Ashburton Avenue (Signalized)	Eastbound	Left	.35	35.6	D	.38	37.6	D
		Thru/Right	.68	34.5	C	.66	33.6	C
		Approach		34.7	C		34.4	C
	Westbound	Left	.40	35.7	D	.28	31.4	C
		Thru/Right	.82	42.6	D	.85	45.4	D
		Approach		41.2	D		43.4	D
	Northbound	Left	.15	32.0	C	.13	17.8	B
		Thru/Right	.36	25.0	C	.40	25.5	C
		Approach		25.6	C		24.6	C
	Southbound	Left	.35	22.8	C	.30	22.6	C
		Thru	.82	35.6	C	.30	24.2	C
		Right	.22	23.9	C	.51	29.4	C
		Approach		33.0	C		25.7	C
	Intersection			33.7	C		31.5	C
5. Saw Mill River Road and Ashburton Avenue (Signalized)	Eastbound	Left/Thru/Right	1.03	73.1	E	1.08	90.8	F
	Westbound	Left/Thru/Right	1.05	80	F	1.13	106.1	F
	Northbound	Left/Thru/Right	.26	14.5	B	.22	14.1	B
	Southbound	Left	.39	17.0	B	.34	16.1	B
		Thru/Right	.23	14.2	B	.22	14.1	B
		Approach		15.7	B		14.7	B
	Intersection			56.7	E		73.6	E

V/C - Represents the volume/capacity ratio.  
 Delay - Represents the delay in seconds.  
 LOS - Represents the Level of Service.

The Nepperhan Avenue and Lake Avenue signalized intersection also has significant excess capacity. The maximum volume/capacity ratio is 0.57 during the Peak AM Hour and 0.63 during the Peak PM Hour. The volume/capacity ratios along Nepperhan Avenue are below 0.5. The intersection is Level of Service C during both the Peak AM and PM Hours.

The unsignalized intersection of Nepperhan Avenue and Axminster Street generally operates without significant delays. However, the westbound movement from Axminster Street onto Nepperhan Avenue operates at Level of Service E during the Peak AM Hour.

The signalized intersection of Nepperhan Avenue and Ashburton Avenue generally experiences higher volume/capacity ratios than the aforementioned intersections. The intersection operates at Level of Service is C for both the Peak AM Hour and Peak PM Hour. Vehicles along Ashburton Avenue are oftentimes delayed during the peak hours, in part due to the operations of adjacent intersections.

The Saw Mill River Road/Walnut Street and Ashburton Avenue signalized intersection operates at Level of Service E during both peak hours considered. Significant excess capacity is available at this intersection for the Saw Mill River Road/Walnut Street approaches. Ashburton Avenue experiences delays during the peak hours.

- ***Transit Operations***

Westchester County provides four bus routes through the study area, as shown on Figure 15. Bus stops are located throughout the study area. The existing bus service connects regional residential and employment centers. Bus service to and from the Nepperhan Valley links to the Metro North train station at the waterfront in Yonkers, which is currently being renovated.

Bus Route 5 extends from the train station/Getty Square through the site and then north to the Village of Elmsford. From this point it traverses southeast to the City of White Plains and continues southeast to the Town of Harrison. This route makes numerous connections with other bus routes. The bus operates from approximately 6:10 AM to 10:40 PM in the study area and has approximately four trips per direction per hour during peak hours.

Bus Route 8 begins at the College of Mt. St. Vincent in New York City and travels along Riverdale Avenue to Getty Square, along Saw Mill River Road through the study area and north to Main Street in the Village of Tuckahoe. This route begins service at 6:05 AM and terminates at 8:35 PM in the study area. Approximately four buses run per hour in each direction.

Route 25 begins in the vicinity of Getty Square and traverses along Ashburton Avenue through the study area. From this point the route continues along Yonkers Avenue, Midland Avenue, Kimball Avenue and Wood Lawn Avenue in Yonkers. The Route then continues into the Bronx and terminates in the vicinity of the No. 2 and No. 5 subway stops at the Nereid Avenue and White Plains Road intersection. Approximately three peak hour trips per direction are provided along the route, which extends from 6:10 AM to 11:34 PM in the site's vicinity.

Bus Route 30 begins in the vicinity of Getty Square and extends along Ashburton Avenue and Saw Mill River Road through the study area. The route turns east at Lockwood Avenue and continues in a southeasterly direction to Bronxville, and then to its terminus in New Rochelle. This route begins in the study area at 6:12 AM and ends at 7:52 PM. There are generally four buses per hour in each direction during the majority of the day.

- ***Transit Usage***

Based on the 1990 US Census data for this area, we estimate the following modal split for the employees working in the study area:

Drive alone:	71%
Carpool:	11%
Bus:	10%
Subway:	3%
Railroad:	2%
Walked:	3%

The percent of employees commuting by car in the study area is higher than for the City of Yonkers in general. This may be due to the nature of the local employment, i.e. irregular work schedules, and also to the availability of parking.

## Telecommunications Infrastructure

Local telecommunications infrastructure is typically separated into two categories. The first category is *fiber-optic trunk networks*, which have the greatest capacity for carrying voice and data traffic within regions. The second category is *consumer broadband networks*, which are high-speed Internet services delivered over older, copper-wire based telephone and cable TV infrastructure.

The Nepperhan Valley lacks a competitive level of infrastructure in both categories. However, there are opportunities for alleviating this disparity.

- ***Fiber-optic Trunk Networks***

While the Nepperhan Valley sits astride major north-south telecommunications corridors in Westchester County, it is effectively disconnected from these networks due to a lack of “off-ramps” from these information highways.

Two major competitive carriers operate fiber-optic trunk networks that pass through Yonkers along the highway right-of-way in the Nepperhan Valley vicinity (I-87 and the Sprain Brook Parkway). However, the main purpose of these trunk lines is to connect the east-west trunk line along I-287 to New York City. This east-west trunk line serves the large office complexes in the White Plains area, where lucrative corporate customers have enticed the carriers to build the necessary hubs and off-ramps to connect office buildings directly to the fiber-optic trunks. (Figure: “Fiber Optic Infrastructure in Southern Westchester County”).

- ***Consumer Broadband Networks***

For businesses that do not require direct connection to fiber trunk lines, consumer broadband technologies are often a more affordable alternative. Since they operate over existing cable and telephone network infrastructure they have larger service areas as well.

However, Verizon has not invested in deploying consumer broadband technologies in Yonkers and the Nepperhan Valley at the same level as other, more affluent portions of Westchester County. In fact, Yonkers is one of the few areas in Westchester County where local telephone switches have not been upgraded to digital technology, a vital pre-requisite for offering DSL service. (Figure: “DSL Service Areas in Westchester County”)

Nepperhan Valley is on the edge of the region where DSL is available in Yonkers, and as a result approximately half of the businesses in the Nepperhan Valley pre-qualify for DSL service. The attached diagrams were created from our research and survey:

1. Fiber Optic infrastructure for southern Westchester County
2. DSL service areas for southern Westchester County
3. Fiber Optic Truck line and DSL service areas in the City of Yonkers
4. DSL availability to the current Nepperhan Valley business

The only major exception to this pattern of limited access to broadband services is the T-3 connection to the Nepperhan Valley Technology Center, provided by Verizon pursuant to its contract with Southern Westchester Infrastructure for Future Technology (SWIFT). The line should provide more than enough capacity to meet the needs of tenants in the Technology Center, and might be used to service tenants in other buildings in the Nepperhan Valley as well.

- ***Conclusion***

Nepperhan Valley is under-provisioned by telecommunications carriers in both trunk line capacity and consumer-grade broadband services. As a result, there is limited or no access to state-of-the-art telecommunications networks and a lack of competition for broadband network services, resulting in higher prices. However, this is a service business driven by demand and perception. The tenants of the Nepperhan Valley Technology center will require state of the art telecommunications facilities and we expect this demand will set a tone for an investment opportunity for telecommunication carriers.

Historically the Yonkers office space market has struggled to compete with Westchester County, Fairfield County, Connecticut, New Jersey, etc. The development proposal for the Nepperhan Valley has the potential to accommodate new office space more than half a million square feet which will have already attracted many inquiries from several large telecommunication consumers (i.e. Financial services sector). An increase in office space density of this magnitude will undoubtedly expose the Nepperhan Valley potential to the telecommunication infrastructure providers and thus we believe will result in a remediation of the current conditions. In addition, city government has committed substantial time and resources into the revitalization of the Nepperhan Valley. Working with all carriers to ensure a state of the art telecommunications service level is just another step on the road to creating a competitive edge for office space in the Nepperhan Valley.

## **Environmental and Energy Infrastructure**

Overall, the infrastructure for utilities, such as sanitary sewers, gas and electric, telephones, water, and storm sewers, in the Nepperhan Valley is well established and subject to local, state, and federal rules and regulations. The eastern and western boundaries of the study area, Nepperhan Avenue and Saw Mill River Road, have naturally developed as utility corridors. Based on the information supplied by the utility owners, observations at the site, and the historical uses the area was developed for, it can be assumed that the existing systems meet the current needs and any foreseeable future needs. A summary for each utility is provided below.

### ▪ ***Sanitary Sewers***

The Nepperhan Valley's sanitary sewerage needs are serviced by Westchester County's Department of Environmental Facilities. The site's sewerage is conveyed by an extensive network of smaller sewer mains to the Saw Mill River Trunk line, which consists of two 78" diameter sewer mains. This main flows to the North Yonkers Pump Station, which in turn pumps the effluent to the Yonkers Joint Treatment Plant. At this time, the information supplied by the Department of Environmental Facilities did not extend north of Lake Avenue.

The Yonkers Joint Treatment Plant should be able to meet any future demands placed on it by the uses within the Nepperhan Valley. The plant has a permitted flow capacity of approximately 120 million gallons per day (MGD). The current average dry weather daily flow is approximately 80 to 90 MGD. There are currently 5 MGD available for growth and future development. The County and State would review each proposed development individually for acceptance, but this should not pose an obstacle to the redevelopment of the site, since it already has established flows that are taken into account when the application is reviewed. The location of the existing sewer mains is shown in Figure 16.

Due to the age of the infrastructure within the project area, there are likely some combined sewers, though none were specifically identified during the site investigation. Combined sewers carry both sanitary and stormwater flows. It would be required that these flow types be separated during any major reconstruction. Again this should not present an obstacle to the redevelopment of any parcel within the project.

### ▪ ***Gas and Electric Service***

Con Edison has the franchise for delivering gas and electric service in the Nepperhan Valley area. Con Edison has the responsibility for providing the necessary infrastructure for delivery of these services to their customers and they routinely add additional conductors, poles, transformers and gas mains to update their networks to provide reliable service.



Plans from Con Edison indicate the various existing high and low voltage electrical and gas lines. These plans do not indicate available capacities but they do indicate the extent of facilities. As expected at an established industrial center, there is a large existing distribution system that should accommodate any gas or electrical requirements.

▪ ***Water Service***

Water service is provided to Nepperhan Valley by the City of Yonkers Water Department. The existing service was developed along with the site and its historical uses. The existing infrastructure should accommodate whatever water demands any redevelopment produces.

▪ ***Stormwater Management***

The Nepperhan Creek, or Saw Mill River, runs through the center of the project site. The Nepperhan Creek flows on a generally north-south axis and outlets into the Hudson River. Throughout the project area, the river is channelized in a concrete “U” channel that is approximately 20 feet wide. Prior to the channelization of the River by the United States Army Corps of Engineers (USACE), the valley was prone to major flooding. The USACE has evaluated their work and found that the canalization was successful in preventing floods along Nepperhan Creek.

The localized stormwater management consists of inlets and pipe culverts that drain to the Nepperhan Creek. This includes the adjoining roadways and the areas on the hillsides surrounding the project site. The drainage system on the southern portion of Nepperhan Avenue was upgraded several years ago when NYSDOT widened this section of Nepperhan Avenue. Although there may be small pockets of poor drainage, this system generally works well. These areas will not impact the redevelopment opportunities of the site.

Stormwater management systems and their design and construction are controlled by existing rules and regulations at all levels of government. These levels range from the City’s zoning and site plan review regulations; the County’s Drainage Agency’s control of larger streams and development within buffer zones; and New York State’s Department of Environmental Conservation’s (NYSDEC) State Pollutant Discharge Elimination System (SPDES) permits. Any redevelopment within the Nepperhan Valley would be subject to these rules and regulations. However, since the site has been previously developed with little or no retention or water quality treatments, the regulations do not require that runoff characteristics be improved. This makes reuse easier and more economical than developing green fields. Improved retention and water quality would be incorporated into any redevelopment, but only to the extent as is practical and within the project’s budget.

## **Environmental Investigation**

The Nepperhan Valley has been a location for industrial uses since the 1800's with the Nepperhan Creek operating as the main power source. The valley has continually been used for industrial and commercial purposes. This history of industrial use suggests that the area has a high probability of containing some environmentally hazardous materials. The site was investigated for physical signs of contamination and reviewed in terms of the various uses of the site and their probability of producing contaminants. This investigation was not a Phase 1 Environmental Investigation.

Based on conversations with NYSDEC's representatives of the Division of Environmental Remediation's Inactive Hazardous Waste Site Remediation Program, there are no properties within the project boundaries have been identified as hazardous waste sites. The program was started in 1979 with a mission to identify, evaluate, and remediate all inactive hazardous waste sites in New York State that could have a significant impact on human health or the environment. The lack of identified properties in the Nepperhan Valley is a positive indication that serious contaminants do not exist within the project area. However, based on the preliminary review of the site, its current and prior uses, and prior environmental review experiences with sites similar to the Nepperhan Valley, a number of less dangerous contaminants may exist within the project area. These may include asbestos, lead, copper, hydrocarbons and others. These are substances commonly found in areas similar to the Nepperhan Valley.

There are several locations that have a higher potential for being contaminated, as identified by research and field investigations. This is not to state as fact that these locations are contaminated or that other contaminated sites do not exist within the project boundaries. These higher potential locations are Garan's Scrap on the northwest corner of Saw Mill Road and Torre Place; American Compressed Gas; Precision Valve Corp.; the dry cleaning businesses and the gas stations located throughout the site; and the several truck, bus, and automobile maintenance operations, especially the truck painting operations on Saw Mill Road and Palmer Road. While these sites have the highest potential for producing contaminants, they are also the ones most likely to have mitigated the contaminant producing situations.

The Con Edison property in some respects a special case. This site may have some of the problems associated with sites once used for the manufacture of synthetic gas. Con Edison, however, has been working with the State Department of Environmental Conservation on the development of an overall strategy for clean-up of its manufactured gas sites.

If further investigation deems them contaminated, Nepperhan Valley sites could be redeveloped under various "brownfields" programs. These programs, sponsored by the Environmental Protection Agency, the Department of Housing

and Urban Development and NYSDEC, assist in the funding of the clean up of contaminated or perceived-to-be contaminated properties, and in limiting the liability of the stakeholders.

Based on our findings and the current legislation promoting the redevelopment of brownfields, there should be few obstacles to the redevelopment of the Nepperhan Valley from an environmental point of view.

## **The View of Local Businesses**

In addition to the physical condition of buildings and infrastructure, it is important that in planning the revitalization of the Nepperhan Valley the City and the Yonkers IDA take into account the views of local firms about business conditions in the area. In order to understand the perspective of local businesses, Appleseed conducted both face-to-face and telephone interviews with representatives of 30 companies.

### **Reasons for Locating in the Nepperhan Valley**

Local business people cited a number of reasons for locating in the Nepperhan Valley, and cited a number of advantages they found in the area. These included:

- A good business location, with easy access to customers in New York City, Westchester and other parts of the region.
- An available supply of workers; a location easily reachable by car or bus.
- Reasonable rents.
- Building characteristics – sturdy structures, lots of light.

### **Disadvantages of Doing Business in the Nepperhan Valley**

At the same time, local businesses cited a number of problems that limit the area's attractiveness as a business location. Their concerns include:

- Insufficient parking, for both employees and customers (the single most common complaint).
- Chronic traffic congestion on Saw Mill River Road, resulting in part from the concentration of bus parking lots in the area.
- Streets that are not pedestrian-friendly.
- Perceived street crime and security issues, especially at night.
- Inadequate maintenance by some property owners, creating a poor appearance.
- Sporadic illegal dumping.
- The skill levels of locally available workers.
- Inadequate retail, restaurant and consumer services.
- Inadequate telecommunications services; poor service from Verizon.
- Inadequate public services – sanitation, code enforcement, street lighting, snow removal, etc.

The perceived problems of the Nepperhan Valley are of course interrelated. Insufficient parking and retail amenities, for example, make it harder for businesses to recruit highly-skilled workers, who are likely to have more choices about where to work. This simply reinforces (and indeed may be the real source

of) business owners' perception that the local labor force does not have the skills they need.

## **What the City Can Do**

While many local businesses appreciate the support and assistance they have gotten from the City and the Yonkers IDA, many also cited issues on which they'd like the City to take action. These included:

- Expanded parking.
- Relieving traffic congestion.
- Improving basic public services in the area.
- Improving the image of Yonkers in general and the Nepperhan Valley in particular.
- Strengthening local workforce development programs.
- Upgrading telecommunications services.
- Improving local retail services.

## Site Assets

The Nepperhan Valley offers a number of advantages in terms of its potential to be seen as a major business and mixed-use center within the City of Yonkers. Key assets include the following:

- Location relative to New York City/Westchester County/within the City of Yonkers
- Unique blend of modern business facilities and historic manufacturing buildings.
- Underutilized land and buildings provide the potential for significant new investment in the area.
- Natural features.

Key assets and soft sites are mapped in Figure 18. Soft sites are locations for potential redevelopment, identified as buildings and lots in poor condition, and currently underutilized sites. Also shown are the important natural features in the area, and the Alexander Smith Carpet Mills Historic District.

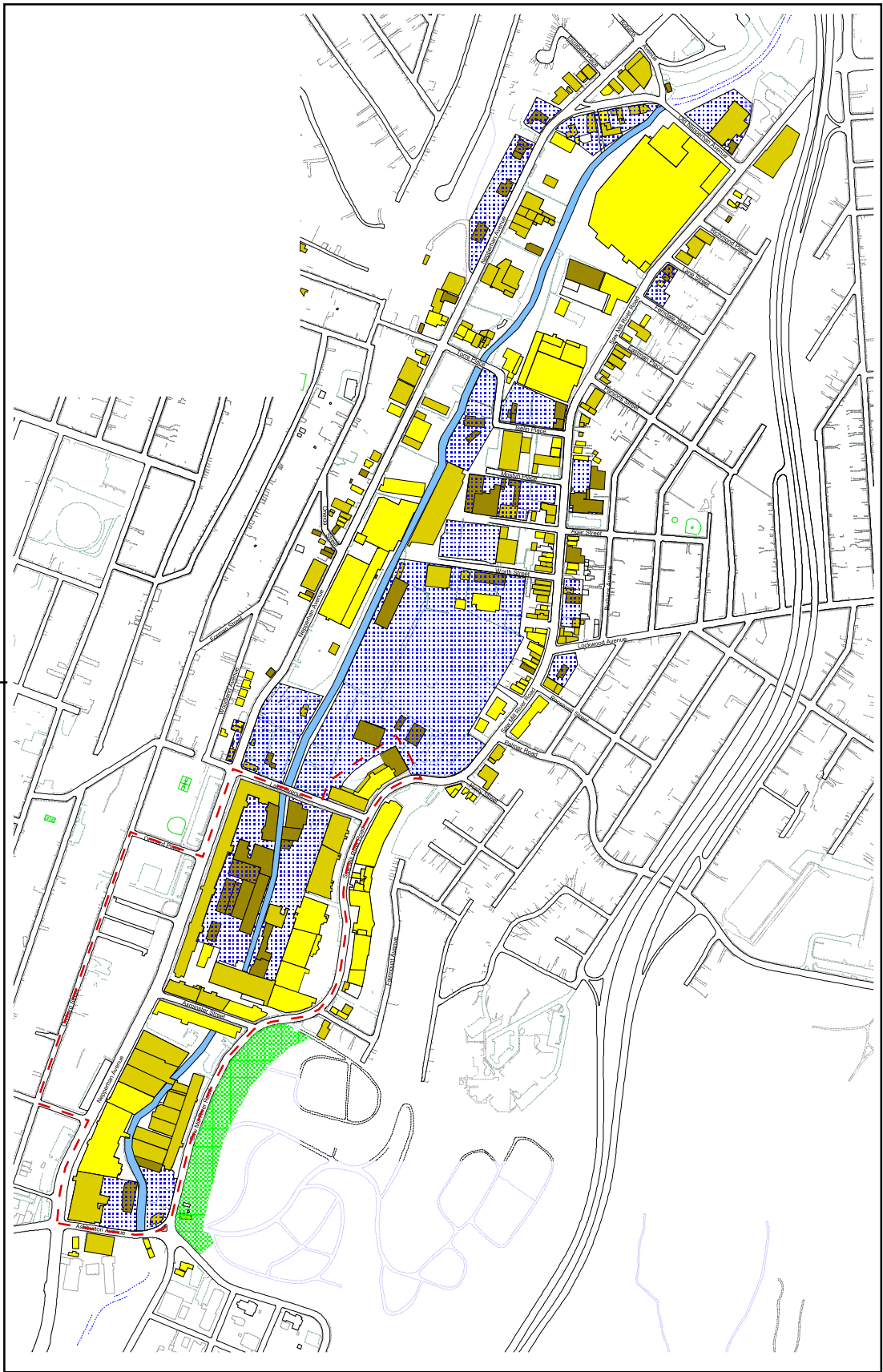
- ***Accessibility***

The site lies adjacent to the Saw Mill Parkway and is less than one mile from the New York State Thruway to the west. Connections to these major roads by way of Ashburton and Yonkers Avenues at the southern end of the site, and via Tuckahoe Road to the north make the site easily accessible to the region. Nepperhan Avenue which was recently widened and improved along much of the western edge of the site, provides a direct link to downtown and to the waterfront. The Nepperhan Valley is also well served by public transit, with the Bee-Line service connecting the area to downtown and to other areas in the county.


- ***Buildings***

The Nepperhan Business Center located at 540-578 Nepperhan Avenue is only one of the many original Alexander Smith Carpet Mill Manufacturing buildings remaining on the southern end of the site. In 1983 the U.S. Department of the Interior declared this building a national historic landmark. A historic district called the Alexander Smith Carpet Mills Historic District was also established at the southern end of the site. Although the Nepperhan Business Center, which was recently renovated, is in a better state of repair than many of the other structures in the historic district, most buildings in the area remain in fair condition and could be restored and rehabilitated for new uses (Figure 7).

More recently, new construction has taken place on the northern half of the site. Liberty Lines Transit, Precision Valve Corp. and American Specialties Inc. have built new facilities north of Lake Avenue. All of these structures are in excellent condition (Figure 7). The presence of the businesses that run these new plants and



### Areas of Potential Development

 Soft Sites

### Building Conditions

 Good

 Fair

 Poor

### Natural Features

 Nepperhan Creek

 Cemetery

### Historic District

 Alexander Smith  
Carpet Mills  
Historic District

**NEPPERHAN AVENUE**  
Yonkers, NY

**Figure 18.**  
Site Assets



**BFJ** Buckhurst Fish & Jacquemart, Inc.

facilities in the valley enhances the area's image as an important manufacturing and industrial complex.

▪ ***New Development Potential***

A significant amount of property within the study area is underutilized. Most of the older industrial buildings in the southern portions of the site are partially vacant or underutilized (Figures 4 and 5). North of Lake Avenue, auto-repair, bus parking and outdoor storage uses are dominant land uses. The possible restructuring of the City's school transportation program could lead to a major reduction in the need for local school bus storage facilities. However, many of the bus and auto-related uses, and outdoor storage uses are financially viable businesses and are likely to remain in the Nepperhan Valley. Many of these auto-related businesses are major employers and contributors to the City's manufacturing sector, and should be encouraged to remain in the Nepperhan Valley. In addition, the 8.3-acre Con Edison site may be available for redevelopment within the next few years.

▪ ***Natural Features***

Undoubtedly, the site's most prominent natural feature is the Nepperhan Creek that runs north south through the center of the valley. The waterway, which was originally coveted for its electricity generating capacity, now flows between concrete retaining walls at the rear of properties facing onto Nepperhan Avenue and Saw Mill River Road. Unfortunately, the River is neither accessible nor visible to the public. Changes to the current riverbed configuration are unlikely since the canalization, carried out by the Army Corps of Engineers, is designed to eliminate the periodic flooding that used to occur within the Nepperhan Valley area.

The Oakland Cemetery located along the eastern edge of Saw Mill River Road between Ashburton Avenue and Axminster Street acts as an attractive backdrop to some of the oldest buildings in the Alexander Mill Complex. The cemetery offers respite from the dense fabric of manufacturing and industrial buildings in the historical district. The western edge of the site has a strip of landscaped streetscape located along Nepperhan Avenue between Myrtle Street and Moquette Row North. This area contains a neighborhood park with a baseball diamond and other activity fields.



## **Part Three: Real Estate Market Trends and Conditions**

## **Part Three: Real Estate Market Trends and Conditions**

In order to provide a deeper understanding of the context for planning the development of the Nepperhan Valley, possible future opportunities and potential constraints, Real Estate Solutions LLC reviewed trends and conditions in the Westchester and Yonkers real estate markets. RES' review covered the office, industrial, retail and residential sectors.

It is important to note that current market conditions do not define the range of what might be possible in the future – especially in the context of a development process that might last ten years or more. But the current market does define the conditions under which that long-term process begins.

### **The Office Market**

- ***Westchester County***

The Westchester County office market contains approximately 22 million square feet in 246 properties. Most of this space is divided among eight office submarkets: East I-287 Corridor, West I-287 Corridor, North, Northeast, Northwest, Southeast, Southwest and the White Plains CBD. Approximately 90% of the total square feet of office space in the County are contained in the White Plains CBD, and the East and West I-287 Corridor submarkets. Estimates indicate that there is 120,000 sq ft of office space currently under construction in Westchester County, with additional 14 projects containing 2.6 million square feet of space under consideration in the area. Of the projects currently under construction, much of the space is in Yonkers.

Westchester County is home to several major private employers, including: IBM, PepsiCo, Consolidated Edison, Merrill Lynch, ITT Industrial, Starwood Hotels and Resorts, Reader's Digest, MBIA, Paxar Corporation, Universal American Financial Corporation and Lillian Vernon Corporation. In addition, the county represents New York State's largest concentration of biotech and pharmaceutical companies (with 8,000 employees), several new developments are planned to accommodate anticipated growth in demand for biomedical laboratory and office space.

Many of these companies are attracted to Westchester County because of superior competitive factors including, but not limited to, the following:

- *Access to Transportation – The most desirable office locations are near both major highways and within walking distance (or short shuttle ride) to a Metro-north train station.*

- *Well-Sized Floor Plates and Flexibility/Efficiency of Design – The average floor plate is 21,500 square feet. The flexibility of a floor plate’s design (its ability to lay out efficiently as open cubicle space or private offices) is a compelling motivator.*
- *Building Condition/Amenities – Tenants generally favor buildings with recently renovated public areas (main lobbies, elevator lobbies, etc.), state-of-the art telecommunications infrastructure, and availability of parking and proximity to supporting retail/cafeterias are also considered.*
- *Access to Diversified Labor Pool – The area can attract employees from New York City, Connecticut and Westchester County.*

Market participants indicate that Westchester County office space is well positioned in terms of asking rents compared to other office markets in close proximity to New York City. According to CB Richard Ellis, the 1Q2002 average net asking rent per square foot for Westchester County office buildings was \$26.46, below the average net asking rent for office buildings in Fairfield County, Connecticut (\$32.23 per square foot) and nearly on par with office properties in both Northern New Jersey (\$25.03 per square foot plus tenant electric), and Long Island (\$25.30 per square foot plus tenant electric).

According to market participants, the only significant office-building sale in 2001 was the transfer of the former Texaco headquarters in Harrison to Morgan Stanley. The total acquisition cost for the 755,000 square foot property was \$43.8 million, or \$57.95 per square foot. This price is below replacement costs, indicating that the current market for new office construction is potentially weak.

- ***Yonkers***

The Yonkers office market includes 9 major properties containing 720,431 square feet (approximately 3.3% of the County’s total office inventory). Additional office space exists in older converted industrial buildings, such as iPark, that has been renovated to accommodate office tenants. In general, the office stock in Yonkers is older and has on average smaller floor plates than other office stock throughout Westchester County. Typical office users within Yonkers include government offices; back offices for insurance, healthcare, financial services and telecom companies; local service professionals, and design-oriented office users. Office buildings in Yonkers are concentrated in the vicinity of the Yonkers Train Station, the South Westchester Executive Park and along Central Park Avenue.

**Table 1**  
**Office Market Analysis**

	Historical Vacancy Rates		Net Asking Rent		Total Inventory Sq. Ft.(1993-2001)		Annual Absorption Sq. Ft.(1993-2001)	
	Westchester	Yonkers	Westchester	Yonkers	Westchester	Yonkers	Westchester	Yonkers
Average	16.9%	16.6%	\$ 19.33	\$ 15.66	N/A	N/A	244,094	(4,143)
High	22.6%	38.7%	\$ 36.00	\$ 25.00	21,978,311	720,431	1,047,310	234,138
Low	9.7%	5.0%	\$ 6.00	\$ 9.00	21,429,611	720,431	(917,241)	(186,100) **
2002 Average *	14.5%	24.9%	\$ 24.59	\$ 13.38	21,978,311	720,431	(97,631)	1,430
1993-2002 Total							2,394,698	(18,568)

\* Based on 1Q2002 numbers.

\*\* 1996

Source: Torto Wheaton Research - TWR Select & Real Estate Solutions estimates

Above is a breakdown of the Westchester and Yonkers Office Market Analysis performed by Real Estate Solutions which shows how historical vacancy rates, net asking rents, and annual absorption compares within both markets.

Today Yonkers is undergoing an unprecedented economic transformation visibly displayed on the Waterfront and in downtown Yonkers and it is expected and planned to expand to the Nepperhan Valley area. Consequently, the proposed/currently under construction projects in Yonkers are expected to broaden the quality, range and quantity and competitiveness of the office market supply base. The following includes some projects expected to benefit the supply and competitiveness of office space in Yonkers:

- *The 70,072 square foot, \$8 million Gateway Building located at the corner of Main Street and Buena Vista Avenue (mid-2003).*
- *18,000 square foot Federal Credit Union Building in the South Westchester Executive Park (early 2003). The Park can reportedly expand by an additional 350,000 square feet.*
- *9,800 square feet of office space in the newly renovated Gazette Building on Main Street (currently available).*
- *The former 116,000 square foot Purdue Frederick Building is being redeveloped by the Yonkers IDA and renamed the Nepperhan Valley Technology Center (mid 2003). There also is significant potential for further conversions of older, obsolete industrial spaces in Yonkers for use to Class B and C flex or research space.*
- ***Opportunities and Constraints***

The City of Yonkers has not historically been known as a strong Class A office market, particularly when compared to the volume and quality of space available in the rest of the County. The majority of the existing office space in the City is located in the Westchester Executive Park, which has approvals for additional expansion, an office park atmosphere, amenities on site and access to major

highways. Lower rents for office space in Yonkers, and in the Nepperhan Valley in particular, reflect the lack of demand for space in the local market at this time.

The market analysis suggests that, on its own, demand would be insufficient to support new office construction in this market. Moreover, the Nepperhan Valley presents a number of disadvantages in competing with other southern Westchester locations – its industrial character and (in some places) unattractive visual quality, and lack of an already-developed broadband infrastructure.

However, the growing interest among several major New York metropolitan area industries in diversifying their operations may lead a number of major office users to consider a Yonkers location – even if it is not the lowest cost option.

The area between Lake Avenue and Torre Place may offer opportunities to assemble sites that could accommodate large floor-plate buildings and ample parking and the site offers easy access by auto and bus. Moreover, the availability of Empire Zone and Empowerment Zone benefits would help reduce the effective cost of occupancy in the Nepperhan Valley.

It may be possible to demonstrate to the market that Yonkers is capable of being a seriously competitive location for office space tenants. This could require using deep financial incentives to attract one/two key (anchor) tenants, which could entice other tenants to follow to the Nepperhan area in the future. However, as mentioned above and illustrated in other city developments, creative public and private partnerships can circumvent negative conditions and market perceptions.

## **The Industrial Market**

- *Westchester County*

The Westchester County industrial market contains approximately 38 million square feet in 815 properties. The majority of this space is used for warehouse functions (58%) while the rest is divided among Manufacturing (24%), R&D (6%) and other uses (12%). Overall market is divided into several submarkets of which the two largest, the Southeast and Southwest (which includes Yonkers), contain over 55% of the County's industrial space.

Real estate brokers, investors and consultants indicate that there is still unmet demand for high quality industrial space in the Westchester County market. The type of space most commonly sought has the following attributes:

- *Ready access to highways and proximity to markets (NYC).*
- *Ceiling heights, clear span floor plates and load capacity – Buildings that have (1) ceiling heights of 24 feet with clear span floor plates and (2) load capacities of 500 pounds per square foot are the most desirable.*

- Depending on the building's market segment (warehouse, manufacturing, research and development, etc.), factors such as the number and height of loading bays/doors and on-site traffic flow and parking are also factors.

As of mid 2002, there were only two industrial buildings under construction in Westchester County, both for single tenant users. One is a 105,000 square foot property located in Bedford Hills. The second is in Yonkers (discussed below). It appears that no other industrial facilities proposed for Westchester County at this time. Existing demand factors include a price consideration point of between \$500,000 and \$1,000,000 per acre for Industrial-zoned land. (Provides a range of \$11.48 - \$22.96 per square foot based on 43,560 square feet per acre.)

A comparison of Westchester County to other regional industrial markets reveals that tenants pay a premium for space in Westchester. In 1Q2002, the average net asking rent for Westchester County industrial buildings was \$11.08 per square foot, a significant 56% higher than the \$7.08 average net asking rent for industrial buildings in Fairfield County, Connecticut and 98% higher than the average of \$5.59 per square foot paid in Northern New Jersey. In addition, these other markets are significantly larger than Westchester (see table above).

**Table 2**  
**Industrial Market Analysis**

	Historical Availability Rates		Net Asking Rent		Total Inventory Sq. Ft.(1993-2001)		Annual Net Absorption Sq. Ft.(1991-2001)	
	Westchester	Yonkers	Westchester	Yonkers	Westchester	Yonkers	Westchester	Yonkers
Average	10.1%	11.6%	\$ 8.04	NAV	N/A	N/A	165,878	33,558
High	14.4%	17.2%	\$ 13.34	\$ 19.00	37,986,084	9,100,723	1,603,454	470,693
Low	4.5%	2.3%	\$ 5.85	\$ 5.50	37,586,720	8,997,323	(703,179)	(481,570)
2002 Average *	8.8%	10.3%	\$ 13.34	\$ 8.78	37,986,084	9,100,723	(430,808)	(398,100)
1991-2002 Total							1,990,535	402,698

\* Based on 1Q2002 numbers.

Source: *Torto Wheaton Research - TWR Select & Real Estate Solutions estimates*

**Surrounding Competitive Industrial Markets, 1Q2002**

Industrial Market	Inventory (in Millions of SF)	Vacancy Rate	Average Asking Rent
Westchester County	26.1	10.5%	\$ 11.08
Fairfield County, CT	50.3	10.5%	\$ 7.08
Northern New Jersey	409.0	17.0%	\$ 5.59

Source: CB Richard Ellis

Note: Avg. asking rents in Westchester and Fairfield County are net asking rents, while rents in Northern New Jersey are gross asking rents. Data for Long Island not available.

- ***Yonkers***

The Yonkers industrial market includes 166 properties containing 9.1 million square feet and accounts for approximately 24% of the County's total industrial inventory (in terms of net rentable area). This is significantly higher than the ratio of office space in the City compared to the County. The City's industrial stock is concentrated in the vicinity of the Hudson Riverfront, Nepperhan Valley, Yonkers Train Station, the South Westchester Executive Park, and along Central Park Avenue. Yonkers' industrial buildings are generally older than those located throughout the County, with an average year built of 1948.

Factors contributing to the demand for industrial space in Yonkers include proximity to customers in New York City and Westchester, competitive rents, and access to an affordable workforce. Sales prices for industrial buildings in Yonkers vary significantly based on size, location, tenancy and condition but generally trade from \$30 to \$70 per square foot. Local real estate authorities indicate that some industrial space is being converted to office/medical research space, effectively decreasing the industrial inventory. The 23,000 square foot Greyston Bakery is under construction on a 1.6-acre parcel adjacent to the Yonkers' waterfront.

- ***Opportunities and Constraints***

Yonkers has historically been known for its competitive strength as an industrial location within the Westchester County market and the tri-state region. This reflects its central location, building infrastructure, employee pool, truck access and competitive rents. According to the market information and discussions with brokers, owners and landlords, there continues to be demand for certain types of space including the traditional high ceiling, high floor load, clear span modern industrial/flex space, as well as the non-traditional older buildings for small "artisan" type users.

The Nepperhan Valley site has the opportunity to provide both types if properly planned and marketed. With improved truck access, the addition of amenities such as recreational/open space, support retail/restaurants, childcare services, clean up of areas of the site and higher security, the site could attract existing and future demand. In order to compete with flex space being offered at other locations, the site could offer competitive economic packages that utilize the Empire and Empowerment Zone benefits.

With its historical industrial space, and available space for new development, the Nepperhan Valley could provide some compelling advantages over similar space in the county and beyond.

At the same time, the close proximity of residential neighborhoods, and concerns about the impact of increased truck traffic, are likely to impose some significant

constraints on the types and intensity of new industrial activity in the area. Restrictions on trucks on many of the major highways in the area, and the rising cost of land in Yonkers, could also limit the potential for new industrial development.

## The Retail Market

The supply of retail in Yonkers is provided in regional malls and big box centers as well as neighborhood strip centers and local neighborhood retail. The larger centers are concentrated along Central Park Avenue, Broadway, Austin Avenue and downtown and are within a 10 to 15 minute driving distance from the site. The competitive neighborhood retail that is more proximate to the site is on Lake Avenue, Tuckahoe Road and areas surrounding the site. Most of these smaller locations have older stores that provide certain goods and services to residents in the Primary Market Area (PMA - the five census tracts described in Part One) and Secondary Market Area (SMA – a somewhat broader area that includes other nearby neighborhoods).

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### • *Opportunities and Constraints*

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Yonkers provides an attractive retail market demographic with both the number of households and household income in the PMA and SMA expected to grow between 2001 and 2006. This could potentially generating additional demand for retailing and consumer services. The market participants and local residents indicate a move towards higher quality grocery stores and better neighborhood retail, which can be supported by the local residential population. With increasing commercial activity and density at the Nepperhan Valley Site, demand for retail stores (including restaurants, drug stores, and banks) from new office/industrial developments, will augment neighborhood demand.

The market analysis indicates that there is a lack of quality neighborhood retail to service the site and the residents of the PMA, SMA and downtown. Some of this potential demand may be filled by the proposed downtown retail development although the specific mix of uses is unknown at this time. With the addition of new business and employees locating to the Valley, projected growth in households and incomes in the PMA, SMA and new residents downtown, there could be an increase in demand to support new high quality neighborhood retail if properly located, competitively priced and accessible by car.

New retail development must be strategically located to attract shoppers from the PMA, SMA and the downtown area, while providing an amenity to businesses located in the Valley.



## The Residential Market

The residential stock in the area surrounding the site varies significantly, and ranges from detached single-family homes to high-rise apartment buildings. Many of the residential neighborhoods in close proximity to the Valley (south and southwest) are physically separated by a steep incline. According to census data, the Primary Market Area contained 7,616 housing units in 2000 (decrease of 1.2% from 1990) and the Secondary Market Area contained 12,034 housing units in 2000 (increase of 4.7% from 1990). Approximately 22.9% of the PMA in 2000 were owner-occupied (decrease of 26.1% from 1990), while 35.7% of the SMA housing units were owner occupied (decrease of 0.2% from 1990). Home ownership ratios for Yonkers and Westchester County were 43.2% and 60.1%, respectively.

- *Opportunities and Constraints*

There are some limited opportunities to accommodate residential development in certain existing buildings in the southern end of the Nepperhan Valley. Reduced industrial activity and the existing residential character of the area south and west of the Site presents a more realistic opportunity for development than either the central or northern portions of the site. Area access is expected to improve with the planned widening of Ashburton Avenue running along the Site's southern boundary. In addition, the area adjoining the southern portion of the site has been designated for a major redevelopment as part of the City's proposal Hope VI project, which centers on Municipal Housing Authority's Mulford Gardens complex. The project provides more moderate and middle-income housing in the area, improved retail and community services and new streetscaping along Ashburton Avenue.

Given appropriate commuter linkages (including shuttle buses, taxi service, etc.), residential units at the Site could provide a lower-price point than other neighborhoods in the New York City metropolitan area, other parts of Westchester located within 30 minutes of Manhattan and the new developments in downtown Yonkers.

However we cannot ignore existing residential conditions. The residential vacancy rates for the PMA and SMA exceed the rates for Yonkers and Westchester County, indicating a lower potential demand for housing from the Yonkers market area. Market participants indicate that the perceived quality of the local public schools is a competitive disadvantage for Yonkers and the Nepperhan Valley area in attracting families. The Nepperhan Valley in contrast to Downtown Yonkers, is currently not within walking distance to the train station and is not located within a current area of redevelopment that offers retail and other amenities to residents. The industrial uses and commercial activity at the northern end of the site also represent a significant competitive disadvantage to attracting residents, unless significantly buffered. Although neighborhoods to the

south and southwest of the Site are more residential and have less commercial activity than those to the north, east and northwest, the quality of the housing stock in these southern areas is inferior to those located to the north.

As a result of these conditions, residential development should probably be viewed as a longer-term possibility. Should the Yonkers Municipal Housing Authority succeed in winning Federal approval for its proposal Hope VI program, the redevelopment of the surrounding neighborhoods would probably be accelerated significantly. This could lead to the more rapid emergence of a potential market for residential development in the southern most section of the Nepperhan Valley.

## **Part Four:**

# **A Vision for the Nepperhan Valley**

## Part Four: A Vision for the Nepperhan Valley

The Nepperhan Valley is one of City of Yonkers' most important economic assets. *Our goal for the Valley is to strengthen its position as a place where creative people want to work – where successful companies want to do business – and where Yonkers residents can find new opportunities.* Our approach to redeveloping the area:

- *Builds on the revitalization that is already beginning to transform the waterfront and the downtown area;*
- *Builds on the Nepperhan Valley's existing strengths;*
- *Seeks to remedy conditions that have kept the City of Yonkers from fully realizing the Nepperhan Valley's potential as a source of jobs and economic activity;*
- *Takes advantages of the opportunities for growth that a continually-evolving regional economy will present; and*
- *Provides the flexibility the City will need to respond to changes in the regional economy.*

Over the course of the next ten years, the Nepperhan Valley should provide a focal point for the continued development and diversification of the City's economy. It should combine:

- *An attractive location for back office and "middle office" functions;*
- *An environment that sustains the growth of small firms participating in the region's "creative economy," including art, design, craft and technology-based businesses;*
- *An environment that can retain and sustain higher-quality manufacturing enterprises;*
- *Retail businesses, consumer services and community facilities that enhance both the Nepperhan Valley's attractiveness as a business location and the quality of life in the surrounding neighborhoods; and*
- *Some limited space for low-intensity industrial and support service uses that are necessary to the day-to-day functioning of the Yonkers community and the local economy;*
- *Expansion of opportunities for employment and entrepreneurship.*

## **Nepperhan Valley: Development Objectives**

In order to achieve its vision for the future of the Nepperhan Valley, the City of Yonkers should during the next ten to fifteen years seek to:

- 1) Encourage and assist the rehabilitation and modernization of more than 1 million square feet of older industrial space for diversified commercial and industrial uses;*
- 2) Encourage and assist the development of up to 583,500 square feet of new commercial office space;*
- 3) Encourage and assist the development of at least 174,000 square feet of new space for retail and consumer services, and improvement of existing retail space and services;*
- 4) Maintain the current level of manufacturing activity in the area, through a mix of financial incentives, infrastructure and environmental improvements, and support services.*
- 5) Promote consolidation of low-intensity industrial uses in selected locations that do not conflict with the achievement of other objectives – and where appropriate, relocation of such uses to other industrial areas with less development potential;*
- 6) Increase total employment in the Nepperhan Valley to approximately 8,300 – an increase of nearly 5,100 jobs.*

## **Part Five: Proposed Site Plan**

## Part Five: Proposed Site Plan

As it exists today, the Nepperhan Valley study area is dominated by light industrial, light manufacturing, and transportation storage businesses, surrounded by smaller homes and neighborhood commercial strips. Many of the properties within the area are underutilized or vacant, and a majority of properties have either lots or buildings that are in disrepair or are overcrowded with unattractive outdoor storage uses. In addition, because of the dominance of storage and warehousing uses, relatively few employees actually work on-site.

The Nepperhan Valley has an unrealized potential that can be tapped through development on the vacant and underutilized parcels, and the rehabilitation of some of the attractive industrial buildings. Programmatically, this proposed site plan describes a back-office park in the central section of the Nepperhan Valley, and recommends the rehabilitation of many of the older Alexander Smith Carpet Mills Buildings to the south, for use as smaller office and crafts spaces for artisans and local businesses. The auto and transportation-related uses that provide important functions for the City of Yonkers are concentrated into the northern district, where there is easy access to the arterial roads and highways that connect Yonkers to the rest of Westchester County and the Tri-State area.

In addition to the major areas of development and rehabilitation, this proposal also provides several locations for neighborhood retail expansion, including a major site at the intersection of Ashburton and Nepperhan Avenues. The proposal also calls for an expansion of the streetscape program that is already being implemented by the City along Saw Mill River Road, and creates new green public spaces along Nepperhan Creek, with small retaining ponds as features that help to define the public space (Figure 1).

## Planning Goals

The proposed site plan responds to the following five key planning goals that were identified during the course of the study. Figures 2 and 3 illustrate the land use breakdown and streetscape elements of the proposed site plan.

- *Retain and Enhance Existing Businesses*

As noted in Section 1 of this report, the area includes a number of significant businesses which together have established Nepperhan Valley as one of the Lower Hudson Valley's leading industrial areas. The plan provides an enhanced setting and improved infrastructure that will encourage existing businesses to maintain and strengthen their long-term ties to the area.

- *Preserve and Rehabilitate Major Historic Buildings*

The Alexander Smith Carpet Company complex forms a significant historic center and its continued presence is key to the revitalization of the area. The plan promotes the rehabilitation of underutilized and vacant space within the historic structures, and provides improved parking and landscaping that will upgrade the visual appearance of these older buildings.

- *Create a New Office and Mixed-Use District*

The plan establishes new commercial office development that will compliment recent investments such as the Nepperhan Valley Technology Center and provides opportunities for additional retail space and public open space.

- *Upgrade Image and Visual Quality*

Public investments in new road access, parking facilities and streetscape improvements will create a modern, high quality environment for existing and proposed development.

- *Integrate Development with Surrounding Neighborhood*

A number of improvements are designed to help integrate the site with surrounding residential neighborhoods. Small scale parks, additional retail outlets, parking and possible locations for needed local community facilities are provided within the overall plan for Nepperhan Valley.

## Site Plan Proposals

The site plan proposals are described below, divided into four geographic areas that are defined by the main East - West roads that cross the study area.

- **Ashburton Avenue to Axminster Street**

The southern most block in the Nepperhan Valley is currently a mix of storage and light manufacturing uses that are primarily located in buildings that bear no direct relationship to the surrounding neighborhoods, or to the historical buildings located on the block immediately to the north. Proposals for this area include an 80,000 square foot retail development and associated at-grade parking to the west of the Nepperhan Creek, and a residential development to the east (Figure 4). The residential development involves conversion of one of the original Alexander Smith Carpet Mills buildings to market rate apartments and lofts, directly across from the Oakland Cemetery. A similar proposal for residential development on this site has been included as part of the recent proposal for Hope VI funding, put forward by the Municipal Housing Authority of Yonkers.



Preliminary discussions with developers have indicated an interest in building a regional destination supermarket on the proposed 80,000 square foot retail site. A retail store of this size could provide the surrounding neighborhoods with local access to a variety of goods, and would support the expanded residential developments that have been proposed within the surrounding neighborhood under the proposed Hope VI program.

A site for smaller-scale retail development is available at the intersection of Ashburton Avenue and Saw Mill River Road. This site is envisioned as one of several sites in the Nepperhan Valley that will be available for neighborhood-scale retail development. The goal here is to expand the currently successful retail strips along Lockwood Avenue and Saw Mill River Road, to provide better services for the community and the potential businesses.

To the north, along Axminster Street, the Yonkers Industrial Development Agency (YIDA) is currently rehabilitating an older industrial building for the purpose of creating the Nepperhan Valley Technology Center. Upon completion, this building will house the offices of the Yonkers Empowerment Zone and a small business incubator. The remainder will be leased to information technology, biotechnology, financial and professional service and other small businesses.

- **Axminster Street to Lake Avenue**

The block between Axminster Street and Lake Avenue contains the majority of the historic buildings that were once part of the Alexander Smith Carpet Mills. Although several of these buildings are in need of varying degrees of repair, they are attractive and should be preserved as part of any development scheme for the Nepperhan Valley. For this block, the primary challenge is the configuration of the interior spaces, as those buildings that face the main streets are in reasonable condition. The interior spaces, however, are filled with a jumble of one and two-story structures, storage areas and parking. For the most part, these structures are in poor condition, with the exception of the newly constructed two-story building at the southern end of the interior court.

The site plan therefore proposes to demolish most of the interior buildings, to be replaced by a landscaped parking area accommodating up to 750 cars (Figure 5). New pathways to building entries, lighting and landscaped parks will provide an attractive and improved setting for the historic buildings. Improvements to the Nepperhan Creek will include new landscape treatment along the creek edges and the construction of a water feature connected to the creek channel.

Most vehicles will enter the parking lot from the north end of the block, where a landscaped median divides the traffic. To the east of the parking lot entrance is a new landscaped park. This green area functions as a buffer between the parking

lot and Lake Avenue, and also provides another outdoor space for use by employees of surrounding offices.

- **Lake Avenue to Torre Place**

The central section of the Nepperhan Valley, between Lake Avenue and Torre Place is the area that currently includes the largest amount of outdoor storage (mostly at the Con Edison Worth Street property). The vision presented below – a product of several alternatives prepared for the site – outlines a proposal for back office development that provides for a total of approximately 425,000 square feet of space.

As shown in Figure 6, eight multi-story office buildings and their associated parking occupy the majority of the currently underutilized property at the center of the Nepperhan Valley. Half of these buildings front onto Saw Mill River Road and Lake Avenue, which preserves the street wall character of the neighborhood and keep daily activity along the main surrounding streets.

The remaining four buildings have their main entrance onto a new access road that is planned for the site. This two-lane road would extend southward from the western end of Agar Street, through the current Con Edison property, and then turn westward, connecting to Nepperhan Avenue at the northern edge of the City-owned property currently used by the by the Department of Public Works. In addition to creating activity on the interior of the block, this street is a secondary diversion for traffic off of Saw Mill River Road. In this way, much of the office traffic that is produced through these new developments will not negatively impact the already apparent traffic problems along the neighborhood commercial strip of Saw Mill River Road. This interior road will continue the landscaping efforts that are proposed for the north-south corridors, including street trees, planted medians and paved sidewalks.

Another park space is also accessible off of the new road, designed for use by the employees of the nearby office development. This area also contains the largest of the new retaining ponds off of the Nepperhan Creek. The remainder of the open space in the central section of the Nepperhan Valley is allocated for employee parking for the office development. These lots are designed to be landscaped, with medians to help pedestrians navigate across the lots to their buildings.

In addition to the planned office development, the design for this area has two new park spaces and several neighborhood-scale retail buildings, one of which would be well-situated for community use on the upper floor. This building, at the corner of Lake and Nepperhan Avenues, is centrally located and could support accessory uses for office development, including such services as a dry cleaners, restaurant, day care, or health club facility. To the north of this building is another park with a water feature. Also located within the park is one of the historic mill buildings, the Water Supply Pump House.

On the east side of Saw Mill River Road are several vacant and dilapidated sites that are proposed for additional retail development. These development sites are mostly infill sites between already existing commercial development. In the case of the one larger development site, at the corner of Agar Street and Saw Mill River Road, the required parking is provided at-grade, on-site.

From the site of the Precision Valve Corp. north along Nepperhan Avenue, virtually all of the active, existing uses remain in this plan. The single development site proposed for this area is for a light industrial or light manufacturing use along Nepperhan Avenue, just north of the Community Ambulette property. This use would be in keeping with the surrounding businesses and would form the southern edge of the light industrial/transportation/storage use concentration that is proposed for the northern end study area.

- **Torre Place to Old Nepperhan Avenue**

Several of the Nepperhan Valley's largest employers have businesses that are located to the north of Torre Place, including American Specialties and Liberty Lines Bus Co. Together with the smaller, viable auto-related and light industrial businesses, these larger users create an overwhelmingly industrial character for the northern end of the Nepperhan Valley. Assuming that many of the uses in this area will be slow to change, this proposal recommends infilling some of the more marginal properties, currently occupied by temporary users, with other light industrial and related retail businesses. Although some of the transportation uses (e.g. bus storage) remain in the Nepperhan Valley as part of this plan, the assumption is that should these properties come available at a later date, they could be redeveloped for more active uses in keeping with the overall plan for the area.

To this end, several properties are identified for redevelopment as single-story buildings, with at-grade parking provided on-site (Figure 7). These development sites are located primarily along Old Nepperhan and Nepperhan Avenues, to strengthen the gateway and create a more appealing entrance to the Nepperhan Valley from the north. As the development sites in the central section of the valley will be markets for back-office users in part based upon their location to major transportation routes, it is crucial that the entrances to the Nepperhan Valley are strengthened as a part of this effort.

The proposed site plan calls for straightening the existing Torre Place, to provide an easier, more direct connection between Nepperhan Avenue and Saw Mill River Road. In addition, the streetscaping plans recommended for the blocks to the south should be continued around the northern edge of the Nepperhan Valley.

### Summary of Nepperhan Valley Proposals

As the Table below indicates, the developments described above would over time result in:

- *Development* of 583,500 square feet of new commercial office space.
- *Rehabilitation* of at least 925,000 square feet of existing older industrial space in the area below Lake Avenue for mixed commercial and industrial uses.  
(this is in addition to the rehabilitation of the 116,000 square feet Nepperhan Valley Technology Center, already underway)
- *Development* of 174,000 square feet of new retail space.
- *Conversion* of 93,000 square feet of industrial space to residential use.

<b>Land Use</b>	<b>Southern Section *</b> (Area in SF)	<b>Central Section **</b> (Area in SF)	<b>Northern Section ***</b> (Area in SF)	<b>Total by Land Use</b>
<b>Residential</b>				
▪ Retained		73,400	10,250	83,650
▪ Rehabilitated	93,000			93,000
▪ New Development				
<i>Total</i>				<i>176,650</i>
<b>Retail</b>				
▪ Retained		79,200	49,350	128,550
▪ Rehabilitated				
▪ New Development	87,000	70,000	17,000	174,000
<i>Total</i>				<i>302,550</i>
<b>Office</b>				
▪ Retained		160,940	2,200	163,140
▪ Rehabilitated				
▪ New Development		442,500	141,000	583,500
<i>Total</i>				<i>746,640</i>
<b>Mixed Industrial/Commercial</b>				
▪ Retained	642,200	557,900	742,600	1,942,700
▪ Rehabilitated	925,700			925,700
▪ New Development				
<i>Total</i>				<i>2,868,400</i>
<b>Total by Study Area</b>	<i>1,747,900</i>	<i>1,383,940</i>	<i>962,400</i>	<b><i>4,094,240</i></b>

\* Ashburton to Lake Avenue.

\*\* Lake to Torre Place.

\*\*\* Torre to Old Nepperhan Avenue.

## **Part Six: Traffic Implications and Proposed Improvements**

## **Part Six: Traffic Implications and Proposed Improvements**

It is expected the redevelopment of the Nepperhan Valley will significantly increase traffic volumes in the study area. Approximately 1,307 entering and 263 exiting vehicles are expected to be generated by the new developments during the peak AM hour. During the peak PM hour, approximately 663 entering and 1,494 exiting vehicles are projected.

A variety of roadways exist for accommodating the future traffic volumes. Several of these roadways and intersections will require improvements to handle the additional traffic. It is recommended that additional detailed traffic studies be undertaken as various specific development proposals are reviewed. As a result of the relatively lengthy time horizon for completion of the Nepperhan Valley redevelopment, traffic conditions not related to the site could change in the area which may have a bearing on the specific improvements to be implemented or the timing of those improvements. The remainder of this section discusses potential improvements at various locations throughout the study area. These improvements are illustrated on Drawing T-1 “Conceptual Roadway Improvement Plan.”

It is recommended that consideration be given to widening or restriping the Saw Mill River Parkway northbound off-ramp at Yonkers Avenue to provide dual right turns. The existing painted median could be restriped to extend the eastbound left turn lane at the intersection.

Consideration should be given to widening the Saw Mill River southbound off-ramp at Yonkers Avenue to provide dual right turns. If the ramp were widened, a traffic signal would be required at the intersection.

With a substantial consistent increase in traffic, it would be desirable to widen the Saw Mill River Parkway along the northbound travel lanes between the existing northbound off-ramp and the northbound on-ramp at the Yonkers Avenue interchange. This widening would extend the distance available for weaving vehicles.

It is recommended that the intersection of Saw Mill River Road (Route 9A) and Ashburton be restriped to extend the existing turn lanes within the existing pavement area. The traffic signal at the intersection should be coordinated with the signal at the Ashburton Avenue/Nepperhan Avenue intersection. Delays are typically experienced along Ashburton Avenue, while minimal delays occur along Saw Mill River Road. Accordingly, based on existing conditions as well as future projected volumes, it is recommended that additional green time be provided for Ashburton Avenue.

Ashburton Avenue should be widened between Nepperhan Avenue and Saw Mill River Road. At a minimum, a westbound right turn lane should be provided along Ashburton Avenue at Nepperhan Avenue. Ideally, a five lane section should be planned for long term traffic growth.

Delays are currently experienced along Ashburton Avenue at Nepperhan Avenue, while Nepperhan Avenue generally operates without delays. Accordingly, it is recommended that traffic signal timing modifications be implemented to provide additional green time to Ashburton Avenue.

The intersection of Ashburton Avenue and Vineyard Avenue is controlled by a pretimed traffic signal. Field observations confirm this traffic signal oftentimes provides green time to Vineyard Avenue which is far in excess of the actual vehicular demands. During these times, vehicles along Ashburton Avenue are unnecessarily delayed and these delays impact the operation of Ashburton Avenue from this intersection to and beyond Nepperhan Avenue.

The proposed roadway through the center of the redeveloped Nepperhan Valley property will have intersections at Nepperhan Avenue as well as Saw Mill River Road. It is recommended that both of these intersections be monitored in the future to determine whether the actual traffic volumes and operations necessitate traffic signal control.

It is recommended that on-street parking be removed along Nepperhan Avenue between Lake Avenue and Old Nepperhan Avenue to provide two travel lanes in each direction. The recommended roadway operation would be consistent with the portion of Nepperhan Avenue south of Lake Avenue, which provides two through lanes in each direction. By making this improvement as well as additional subsequently described improvements, it is intended that Nepperhan Avenue be the primary thoroughfare to bring people to downtown Yonkers from Tuckahoe Road. The improvements to Nepperhan Avenue would be expected to reduce existing and future traffic volumes along Saw Mill River Road.

Dual left turns could be provided along Old Nepperhan Avenue westbound at its intersection with Nepperhan Avenue. Providing dual left turns at this intersection as well as at the Old Nepperhan Avenue intersection with Saw Mill River Road would significantly increase the capacity of Old Nepperhan Avenue.

It is recommended that Saw Mill River Road be striped to provide two northbound travel lanes from Old Nepperhan Avenue, which would transition to the existing three lane section as Saw Mill River Road approaches Tuckahoe Road.

It is recommended that the lane utilization along Tuckahoe Road westbound be modified to provide separate left turn, through and shared through/right turn

lanes. A relatively minor amount of widening on the northwest corner of the intersection would likely be required to facilitate smooth traffic flow.

Consideration should be given to providing a new off-ramp along the Saw Mill River Parkway southbound which would allow vehicles to exit directly onto Saw Mill River Road between Old Nepperhan Avenue and Tuckahoe Road. The potential ramp would require right-of-way acquisition. However, providing the new ramp would minimize additional traffic volumes which would otherwise be anticipated along Lockwood Avenue and Palmer Road.

On-street parking should be removed along Saw Mill River Road in the vicinity of both Lockwood Avenue and Palmer Road. The loss of on-street parking in this area as well as along Nepperhan Avenue should be mitigated by providing off-street parking lots. With the removal of the on-street parking along Saw Mill River Road, the southbound approaches could operate as separate left and through lanes, rather than the existing shared left/thru lanes. In addition, the Lockwood Avenue and Palmer Road approaches to the intersections could be striped as separate left and right turn lanes, which would significantly increase the capacity of the roadways.

The Saw Mill River Parkway northbound off-ramp should be widened at its intersection with Palmer Road to provide separate left and right turn lanes. A traffic signal should be installed at the intersection.

A traffic signal should be installed at the intersection of Palmer Road and Stratton Street, which provides access to and from the Saw Mill River Parkway southbound. Palmer Road should be restriped between Stratton Street and the Saw Mill River Parkway northbound on-ramp to provide a westbound left turn lane along Palmer Road.

As previously mentioned, the improvements described herein should be continuously evaluated as the redevelopment of the Nepperhan Valley proceeds.



## **Part Seven:**

# **Cost and Financial Feasibility**

## Part Seven: Cost and Financial Feasibility

The Appleseed team's analysis of local and regional markets suggests that there is significant potential for the development of commercial and light industrial space in the Nepperhan Valley; and our planning studies demonstrate that a significant volume of new space can be accommodated on the site.

However, in order to determine that the Nepperhan Valley represents a viable location for such development, we also need to assess how much the development of new commercial space would cost, and whether the market is likely to sustain development at such cost.

### The Cost of Building Out the Proposed Site Plan

Federman Design & Construction Company provided a detailed estimate of the cost of developing several types of space included in the proposed site development plan. Appleseed used FD+CC's analysis to produce an aggregate estimate of the full cost of building out the plan. As Table 1 indicates, we estimate that a full build-out of the commercial, retail, residential and rehabilitated industrial space envisioned in the plan (expressed in 2002 dollars) would cost approximately \$372 million.

In addition to these building costs, we estimate that the cost of various public improvements proposed in Parts Five and Six would total approximately \$12.3 million. Therefore, we estimate that over time, the full cost of building out the proposed site plan would total approximately \$384 million.

Table 1

Land Use	Total Sq. Ft.	Development Cost	
		Unit	Total
Residential: Rehabilitated	93,000	\$250	\$23,250,000
Retail: New Development	174,000	\$308	\$53,598,960
Office: New Development	583,500	\$308	\$179,741,340
Other: Rehabilitated	925,700	\$125	\$115,712,500
Total	1,776,200		\$372,302,800

### Financial Feasibility of Commercial Development

In order to test the financial feasibility of the development proposed here, Real Estate Solutions LLC assessed the feasibility of two types of new commercial construction:

- A “typical” two-story, 23,458 square-foot suburban office building; and
- A single-story, 26,250 square-foot “flex” building, which could be used for a combination of commercial and light industrial uses.

RES’s analysis suggests that current market rents would not support the development of new commercial office space. On an unsubsidized basis, RES found that the office project would require gross rents (that is, including operating costs, utilities and taxes) of \$35.97 – substantially higher than current asking rents for existing, similar space in southern Westchester.

To make development of a multi-tenant office building of this size attractive to a developer, the City, the Yonkers IDA or some other entity might have to provide an up-front capital subsidy of approximately \$3 million. While this represents a significant commitment, it might nevertheless represent a worthwhile investment for the City and the IDA if it helps establish the viability of the Nepperhan Valley as a commercial office location; and if it results in the creation of a significant number of job opportunities.

However, it should be noted that several factors could help to reduce significantly the need for City or IDA subsidies. First, rents at which existing office space is available in the current recessionary environment are not necessarily a good indicator of the rents that new office space in the Nepperhan Valley might be able to command in the future.

Second, major corporations or financial institutions developing space for their own use are likely to use criteria for the determining financial feasibility that differ from those a developer would use in assessing the economics of a speculative or semi-speculative project. If the project meets other requirements – in terms of location, labor supply and transportation access, as well as strategic considerations such as the need to diversify geographically – the projected development costs might not be as serious an obstacle as they would be for a developer.

Finally, the availability of a variety of incentives (such as Empire Zone tax benefits, and low-cost financing through programs such as HUD 108 loans and the New Markets Tax Credit) might further help to close the gap between current market rents and the rents required to finance the project on an unsubsidized basis.

RES also tested the financial feasibility of single-story flex space. In this case, the gap between the gross rents required to support new construction on an unsubsidized basis (\$21.87) and current market rents is much smaller. A more modest capital subsidy may be required; alternatively, through the use of programs such as HUD 108 and New Markets Tax Credits, it might be feasible to finance development of new flex space without any direct contribution from the City or the IDA. While development of flex space might thus seem preferable

from a purely financial perspective, it is important to recognize that the most likely uses of such space are likely to be much less labor-intensive; they will thus create significantly fewer job opportunities for local residents.

The City and the Yonkers IDA should therefore consider a strategy that would focus first on the development of commercial office space, while leaving open the possibility of developing some high-quality flex space in the future – especially in the area north of Torre Place – on sites that do not attract investment in commercial office space.

## **Part Eight: Economic Impact of Redevelopment**

## **Part Eight: Economic Impact of Redevelopment**

The redevelopment of the Nepperhan Valley, as outlined in Part Five, will contribute in several ways to the economy of the City of Yonkers.

### **Construction**

As explained in Part Seven, the site plan presented in Part Five envisions investment in new construction and rehabilitation totaling \$384 million (in 2002 dollars). Using a version of the IMPLAN input-output model that is tailored to the economy of Westchester County, we can estimate that direct spending in this amount will generate approximately 3,250 person-years of construction activity. If we assume that this development occurs over a ten to twelve-year period, we can estimate that in an average year redevelopment activities in the Nepperhan Valley will generate approximately 300 full-time equivalent jobs in construction and related industries.

To put this number in context, if we take average annual construction industry employment in Yonkers in 2000 (3,633 jobs) as a base, the proposed redevelopment of the Nepperhan Valley would increase annual construction industry employment in the City by 8.3 percent.

### **Tenant Employment**

The construction and rehabilitation of commercial and industrial space outlined in Part Five would accommodate a major increase in employment in the City of Yonkers.

The density of employment in the projected 583,500 square feet of new commercial office space will vary, based on the nature of occupancy – from 4 workers per 1,000 square feet for “middle office” workers to as many as 10 per 1,000 square feet for some back-office uses. For purposes of this analysis we assume an average of 6 workers per 1,000 square feet, for a total of 3,501 workers in newly-built commercial office space.

In rehabilitated industrial space, we estimate (probably quite conservatively) that rehabilitation will result in an increase in employment density, compared to existing levels, of 1.5 workers per 1,000 square feet. The rehabilitation of 925,700 square feet of such space would thus result in an increase of 1,388 in the number of workers employed in these buildings.

Finally, we assume that retail space in the area will employ 4 workers per 1,000 square feet, for a total of 696 jobs in retail and consumer services.

Thus, at full build-out, the new and rehabilitated space proposed in Part 5 would accommodate an increase in employment in the Nepperhan Valley totaling 5,585 jobs. This new employment will, however, be partially offset by the loss of jobs associated with displacement of some existing businesses. This loss will be in fact be relatively modest; many of the businesses displaced as a result of demolition of older buildings south of Axminister Street or in the interior of the carpet mill area could be relocated either to the northern part of the Nepperhan Valley, or to other nearby locations. Over the full course of the development period, we estimate 500 existing jobs might be relocated; the net increase in employment would thus total 5,085.

To put this total in context, we can compare it to total citywide employment in Yonkers in 2000, the last year for which detailed Department of Labor data are available. An increase of 5,085 jobs would represent an increase of 12 percent in total citywide employment in Yonkers.

### **Contribution to Other Strategic Objectives**

Beyond these directly quantifiable impacts, the redevelopment of the Nepperhan Valley will help the City of Yonkers achieve a number of other strategic objectives as well.

- Redevelopment will support the creation of thousands of new jobs in a location that is easily accessible to residents of the Yonkers Empowerment Zone, and of other low-income neighborhoods in Southwest Yonkers. In community meetings held in conjunction with the preparation of the EZ strategic plan, expanding the range of opportunities available within the area was identified a major priority – especially as a way of making it easier for parents with young children to get and hold jobs nearer to home.
- Redevelopment of the Nepperhan Valley will complement and support the redevelopment of the adjoining Mulford Gardens neighborhood – a major initiative proposed by the City and the Yonkers Municipal Housing Authority under the federal Hope VI program.
- Redevelopment of the Nepperhan Valley will complement and reinforce the revitalization of Downtown Yonkers and the Hudson River waterfront. It will do so by revitalizing, improving the appearance of and improving traffic on three of the major routes by which people from throughout the region approach the downtown area and the waterfront – Saw Mill River Road, Nepperhan Avenue and Ashburton Avenue.

Over time, these indirect impacts could prove to be as important as the direct impacts outlined above.

## **Part Nine: Proposed Strategy for Redevelopment of the Nepperhan Valley**



## **Part Nine: Proposed Strategy for Redevelopment of the Nepperhan Valley**

Realizing the objectives outlined in Part Four of this report, and redeveloping the Nepperhan Valley as envisioned in Part Five, will require significant public investment, and concerted action by the City of Yonkers on several fronts. Moreover, while reaching the objectives proposed here might take a decade or more, the City's ability to lay the groundwork for redevelopment of the area now could prove to be a key factor in the long-term revitalization of the Nepperhan Valley. In formulating a strategy for development of the area, we have therefore given special emphasis to identifying steps that the City can take within the next one to two years.

The principal elements of our proposed strategy for the Nepperhan Valley include:

- Acquiring control of key development sites;
- Effecting major public improvements in and around the Nepperhan Valley;
- Modifying City zoning provisions governing land use and development in the Nepperhan Valley, to encourage redevelopment of the area in a manner consistent with the vision outlined here;
- Marketing the Nepperhan Valley to selected major corporate office users;
- Pursuing selected opportunities for joint public-private modernization of older, underutilized industrial buildings, and for development of new commercial office, retail and "flex" space;
- Creating employment, training and entrepreneurial opportunities for Yonkers residents; and
- Organizing the redevelopment process.

### **1) Site Acquisition and Control**

Redeveloping the Nepperhan Valley in accord with the vision presented in this report will require that the City (or some other public entity) obtain control of properties needed to effect the public improvements identified in Part Four. These improvements include:

- The new interior roadway connecting Saw Mill River Road to Nepperhan Avenue;
- The "new" Torre Place;
- Development of new parking and green space in the interior of the carpet mill area, between Axminster Street and Lake Avenue;

- Development of a small public park on Nepperhan Avenue, north of Lake Avenue;
- Development of several small public parking lots on Saw Mill River Road.
- Streetscape improvements on Saw Mill River Road (extending those already under way) and on Nepperhan Avenue.

All but the first and last of these improvements will probably require direct acquisition by the City or another public entity, either through negotiation or condemnation.

The most complex of these acquisitions is likely to be that required for redevelopment of the carpet mill interior area. Ownership of this 7.8-acre area is fragmented; there are currently eleven separate owners. Because there are several small businesses currently operating in the area targeted for clearance and redevelopment, some relocation will be required.

The other park and parking lot improvements proposed here will generally require acquisition of small parcels from single owners.

The proposed interior roadway would traverse Con Edison's Worth Street property. Rather than directly acquiring the property, it may be possible for the City and the Yonkers IDA to collaborate with Con Edison on the implementation of this proposal, through a joint development agreement or other similar arrangement.

Because prompt completion of these public improvements is central to our proposed strategy for redevelopment of the Nepperhan Valley, we recommend that the City and the IDA, begin as quickly as possible to obtain control of the necessary properties.

## **2) Major Public Improvements**

In order to attract commercial office users and other higher-value businesses to the Nepperhan Valley, the City and the Yonkers IDA will have to effect as quickly as possible the major public improvements described in Parts Five and Six. These projects will demonstrate to existing businesses and property owners, prospective investors and neighborhood residents the City's commitment to changing the character of the area.

None of the proposed public improvements will require lengthy design and construction periods; all could be completed within one year from the commencement of demolition and site preparation work. (The process of securing control of the required properties could, however, delay the start of construction work.)

We recommend that the City and the IDA seek to obtain the resources required to complete all of the proposed improvements within the next eighteen months, assuming that no major complications arise with respect to site control or permits.

The estimated costs of the various public improvements are presented below.

<b>Cost of Proposed Public Improvements</b>	<b>\$ Million</b>
New interior roadway	\$1.1
Straightening Torre Place	\$0.3
Mill complex interior area improvements	\$2.9
Traffic improvements	\$2.3
Parks	\$0.7
Streetscaping	\$5.0
<b>Total</b>	<b>\$12.3</b>

### **3) Zoning**

In order for these proposals to be realized, the City of Yonkers Planning Board will have to approve zoning changes for the central and southern sections of the Nepperhan Valley. Due to the variety of uses proposed for the Nepperhan Valley, and the importance of tying these proposals in with the existing urban fabric, two separate zoning solutions will be necessary to provide the framework for new development. The boundaries for these new zones are shown in Figure x.

First, the area of major office development will require a new zoning designation, modified from the existing Industrial zoning. In order to preserve a limited range of light-industrial uses in this area, and still create an area that is conducive to back office and retail development, the most viable and practical alternative would be to create a new zone – Industrial (prime). This I' zone would eliminate the most noxious uses from the standard industrial zone, providing a setting for office and other commercial uses in the central section of the Nepperhan Valley. This zoning change would be subject to an environmental review under the State environmental regulations, through the filing of an Environmental Assessment Form. A preliminary description of the uses that might be removed from the I district, to form the I' zone, is presented below. This list should be re-evaluated after further study of zoning options has been completed.

Second, proposals for the southernmost block, bounded to the south by Ashburton Avenue and to the north by Axminster Street, include retail and residential development. In order to allow for this type of development this area would have to be rezoned as a Business area, residences included. This zoning change for the

southern most block would require environmental review under the State environmental regulations, and under the National Environmental Policy Act (NEPA). In this situation, both a Federal Environmental Assessment and a SEQR Environmental Assessment Form would have to be filed. Further discussions to establish whether an Environmental Impact Statement is necessary in this situation will have to take place when the determination of significance is made.

***Proposed Primary Use Exclusions from Industrial (I) District***

- Pawnshops and check cashing stores
- Concrete batch plants, mixing or processing, but not manufacturing
- Heavy industrial uses
- Automobile repair shops
- Building supply yards
- Motor truck freight terminals and distribution centers
- Government uses (non-City of Yonkers)
- Wholesale price clubs and big-box retail stores
- Construction and demolition debris transfer stations
- Dry cleaning plants
- Quarries, sand and gravel pits
- Rock crushing operations
- Temporary flea markets or carnivals

#### **4) Marketing to Office Users**

Even as major public improvements are being designed and implemented, the City and the Yonkers IDA should begin the process of marketing the area to potential users of new commercial office space.

***Target industry segments.***

There are several types of office uses for which the area could potentially prove to be attractive.

- ***Back office*** operations of large banks, insurance companies, public utilities or telecommunications companies – transaction processing facilities, customer service centers, etc.
- ***“Middle office”*** operations – administrative support functions of these same industries, as well as large professional service businesses such as law or accounting firms.

A Yonkers location could be particularly attractive to firms that are seeking to diversify their operations to sites outside Midtown Manhattan. During the 1990’s, a number of large New York City firms chose to locate back-office or administrative functions in lower-cost areas such as Hudson County or downtown Brooklyn. Southern Westchester could now represent an attractive area for further

decentralization of office functions – especially for those firms that count among their employees large numbers of residents of the northern suburbs.

***Workforce availability.***

Especially for firms that are considering their options for siting back-office operations, labor force issues are critical. In order to market the Nepperhan Valley to these firms, the City and the Yonkers IDA will need to demonstrate that the site is readily accessible from communities that together can provide an ample supply of available workers with high school-level skills. In addition to the communities of Southern Westchester, relevant labor market areas would include Rockland County and the Bronx. The City and the IDA must be prepared to provide detailed information on the labor force demographics of these areas, as well as information on available transportation options – private car, carpooling, bus, or a combination of rail and other modes.

Beyond the available demographics, the City would also benefit from being able to offer employer-specific training programs – for example, basic training for customer service representatives – through the Yonkers Public Schools, the Educational Opportunity Center, or the Yonkers Workforce Development Center.

***Telecommunications connections.***

As noted in Part Two, the telecommunications connections currently available in the Nepperhan Valley are generally not adequate to meet the needs of major back-office or middle-office users. While the prospect of serving one or more such users would undoubtedly be sufficient to elicit from one or more major providers a commitment to extend service to the site, the City and the IDA should begin working now with the relevant carriers to determine how quickly broadband connections can be made available, and on what terms.

It worth noting that the September 11 terrorist attack on the World Trade Center has made many companies more sensitive to the need for redundancy in telecommunications services. The prospect of being able to procure service both through Verizon and through providers of competitive high-speed service could make the Nepperhan Valley a more attractive location for some companies.

***Other incentives.***

As noted in Part Seven, the City and the IDA many have to be prepared to offer significant incentives to attract major office users to the Nepperhan Valley – and in particular, to attract the first one or two office users to the area. Such incentives could include:

- Writing down the cost of land;
- Assisting with site assessment and clean-up costs, through the federal EPA's Brownfields Assessment and Cleanup Grant program, New York State's Lean Air/Clean Water Bond Fund, and the City of Yonkers Brownfield Revolving Loan Fund.
- Directly subsidizing the cost of construction, through programs such as the Department of Housing and Urban Development's Brownfields Economic Development Initiative (BEDI), or New York State's Economic Opportunity Fund;
- Low-cost financing, using instruments such as Empowerment Zone bonds, HUD Section 108 loans, and the New Markets Tax Credit program.
- Tax incentives available through the federal Empowerment Zone and state Empire Zone programs.

## **5) Public-Private Development Projects**

As it moves ahead with public improvements and marketing to office users, the City and the IDA should begin to explore with selected Nepperhan Valley property owners and developers opportunities for new development or redevelopment that are consistent with the site plan presented in Part Four.

In many ways, the "n Valley Technology Center," now being developed at the former Purdue-Frederick building, is prototypical of such projects. Through the cooperation of the IDA and a private developer, with additional funding from several public-sector sources, the 116,000 square foot Technology Center will provide space for biotechnology and information technology companies, financial and professional service firms and other office users. By demonstrating that high-quality renovated industrial space can attract such tenants at rents significantly higher than those now paid for underutilized industrial space in the Valley, this project could help "jump start" private investments in modernization of other industrial buildings.

Other projects that might be suitable for similar public-private ventures could include:

- Rehabilitation of other industrial buildings, especially in the former carpet mill area between Axminster and Lake;
- Development of new office buildings on currently vacant land, in collaboration with private land owners;
- Development of a limited volume of modern flex space, in collaboration with private land owners, especially in the area north of Torre Place.

As discussed above under (4), incentives and other resources available to help stimulate such development could include:

- Writing down the cost of land;
- Assisting with site assessment and clean-up costs, through the federal EPA's Brownfields Assessment and Cleanup Grant program, New York State's Lean Air/Clean Water Bond Fund, and the City of Yonkers Brownfield Revolving Loan Fund.
- Directly subsidizing the cost of construction, through programs such as the Department of Housing and Urban Development's Brownfields Economic Development Initiative (BEDI), or New York State's Economic Opportunity Fund;
- Low-cost financing, using instruments such as IDA revenue bonds, Empowerment Zone bonds, HUD Section 108 loans, and the New Markets Tax Credit program.
- Tax incentives available through the federal Empowerment Zone and state Empire Zone programs.

## **6) Creating Opportunities for Local Residents**

Revitalization of the Nepperhan Valley is central to Yonkers' economic development strategy for a number of reasons, one of which is its proximity to neighborhoods where many of the City's jobless and underemployed residents live. A central element of the City's strategy for revitalization of the Nepperhan Valley should therefore be to ensure that residents of the surrounding neighborhoods have access to new opportunities that will be available in the area.

Elements of an economic opportunity strategy for the area might include:

- Establishing a "branch office" of the Yonkers Workforce Development Center in the Nepperhan Valley Technology Center, associated with the offices of Yonkers Empowerment, Inc. – the organization charged with managing the Yonkers Empowerment Zone. This office would focus on serving residents of the surrounding neighborhoods and employers in the Nepperhan Valley. It would provide access to information about jobs in the Valley, and about the full range of services available to local residents under the Workforce Investment Act and similar programs.
- Developing training programs geared to the needs of both existing and new employers in the area. Resources that could be tapped to provide these services might include the Yonkers Public Schools career education programs – the programs of Westchester Community College's Educational Opportunity Center – and the Empire State Development Corporation's, Training Assistance program.
- Aggressively marketing to employers in the Nepperhan Valley the tax savings they can realize by hiring Yonkers Empowerment Zone residents.

- Through the small business incubator that the City is planning to establish in the Nepperhan Valley Technology Center, provide entrepreneurship training and services to neighborhood residents who have started, or are interested in starting, their own businesses.

Through these and other initiatives the City and the Yonkers IDA can help ensure that residents of the surrounding neighborhoods have an opportunity to share in the benefits of revitalization of the Nepperhan Valley.

## **7) Organizing the Development Process**

The redevelopment of the Nepperhan Valley will require not only a significant up-front investment of public capital, but also the active involvement of several public agencies in a number of complex processes – property acquisition, traffic improvements, zoning changes, marketing to major office users, negotiation of public-private partnerships, etc. Moving ahead simultaneously on all of these fronts will require active day-to-day management and coordination.

To provide this overall program management and coordination, the City and the Yonkers IDA should consider creation of a local development corporation, charged with managing the redevelopment of the Nepperhan Valley. The local development corporation's responsibilities would include:

- Working with the Yonkers IDA to identify and secure the resources required to finance the property acquisitions and public improvements proposed here.
- Working with the Yonkers IDA on property acquisitions or other site control arrangements.
- Planning and implementation of the proposed public improvements, including here necessary the provision of assistance in relocating any firms that might be displaced by these improvements.
- Working with the Yonkers IDA, where appropriate, to negotiate and implement joint public-private development arrangements with Nepperhan Valley property owners.
- Development and implementation of a detailed marketing plan for the area, with an initial emphasis on marketing to major commercial office users.
- Working with the City's Bureau of Planning to implement proposed zoning changes in the area.
- Development and implementation of firm-specific strategies for retaining and sustaining the companies that provide high-quality manufacturing jobs in the area.



- Working with the managers of the Yonkers Empowerment Zone to ensure that both existing and new Nepperhan Valley businesses take full advantage of federal and state EZ incentives.
- Working with local agencies and organizations responsible for employment, training and entrepreneurial development, to help residents of the surrounding neighborhoods take full advantage of the opportunities that redevelopment of the Valley will present.
- Working with the Yonkers Municipal Housing Authority to ensure that the redevelopment of the Nepperhan Valley complements and is coordinated with the implementation of the City's HOPE VI program.
- Working with other City agencies to address some of the issues raised by Nepperhan Valley businesses and property owners during the course of this study – security, sanitation, parking, improving the visual character of the area, etc.
- Ongoing communication with businesses and property-owners in the Nepperhan Valley, as well as residents, businesses and community organizations in the surrounding neighborhoods.

It should be noted that some of the tasks identified here are in some commercial areas performed by business improvement districts. A BID would provide a source of ongoing support for these tasks; and could provide a vehicle through which local property owners and businesses could take responsibility for, and have a voice in, the improvement of the area.

It would not be feasible, however, to organize a BID quickly enough to undertake the up-front work required to launch the redevelopment of the Nepperhan Valley. We therefore recommend that the City begin by creating a local development corporation, and charge the managers of the LDC to begin laying the groundwork for creation of a BID at a later date – perhaps two to three years into the redevelopment process.

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